



## NOTICE OF HGMD BOARD OF DIRECTORS SPECIAL MEETING July 22, 2021 at 1:00 PM

Pursuant to Section 24-6-402(2)(c), C.R.S., the Board of Directors of the Heather Gardens Metropolitan District, hereby gives notice that it will hold a special meeting via Zoom videoconference at **1:00 PM on July 22, 2021**. The business meeting will be held for the purpose of conducting such business as may come before the Board. This meeting is open to the public.

**THIS MEETING WILL BE AVAILABLE BY VIDEOCONFERENCE TO PRESERVE THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC IN LIGHT OF THE IMMINENT THREAT CAUSED BY THE COVID-19 PANDEMIC.**

### Join Zoom Meeting

<https://zoom.us/j/99203959306?pwd=NUNOU3l0SUZjRjF0NmZGREx4amZqUT09>

Meeting ID: 992 0395 9306

Password: 727074

or

Dial-In Number: +1 346 248 7799 US

### AGENDA

1. Determine quorum present
2. Call meeting to order
3. Approval of/additions to/deletion from agenda
4. Approval of Minutes
  - a. Consider Approval of Minutes of June 17, 2021 Regular Meeting
5. Reports of Directors, committees, and professional consultants
  - a. President's Report (Funk)
  - b. General Manager (Rea) – July 20, 2021 Reports
  - c. Clubhouse/Restaurant Committee – July 13, 2021 Report
  - d. Foundation Committee (Laubach) – No Meeting
  - e. Golf Committee (George) – July 13, 2021 Report
  - f. Property Policy Committee (Funk) – No Meeting
  - g. Treasurer's Report (Archambault) – July 2021 Report
6. Discuss June 2021, Monthly Operating Analysis
7. Unfinished Business
  - a. Consider approval of the revisions to the Heather Gardens Property Policy Procedure Memorandum and the RV Lot Agreement
8. New Business
  - a. Consider approval of the 2020 HGMD Audit
  - b. Consider approval of the RV Parking Lot Asphalt Project
  - c. Consider approval of the Golf Course Rates for 2022
  - d. Consider approval to Reinvest the CD Maturing in July 2021
9. Open Forum – Public comment (time limit-3 minutes per person)
10. Adjournment

**Note:** HGMD regular Board meetings, when held, are on the third Thursday of each month at 1:00 PM. Residents wishing to speak on agenda items will be given the opportunity at the time the item is discussed (time limit-3 minutes per person).

**The next regular Board meeting will be meeting held Thursday, August 19 at 1:00 PM.**

**HEATHER GARDENS METROPOLITAN DISTRICT  
REGULAR MEETING  
Thursday, June 17, 2021**

The regular meeting of the Board of Directors of the Heather Gardens Metropolitan District was held via Zoom/Telephone in the office of the District, 2888 S. Heather Gardens Way, Arapahoe County, Colorado, on Thursday, June 17, 2021 at 1:00 P.M.

**CALL TO ORDER:** President Funk called the meeting to order at approximately 1:01 P.M. on Thursday, June 17, 2021. A quorum was present.

**BOARD MEMBERS PRESENT:** President David Funk, Vice President Michael George, Treasurer and Secretary William Archambault, and Directors Eloise Laubach and Maria Mines

**BOARD MEMBERS ABSENT:** None

**STAFF PRESENT:** General Manager Jon Rea and Controller Jerry Counts

**GUESTS PRESENT:** Jennifer Ivey, Icenogle Seaver Pogue, P.C., three members of the Heather Gardens Association Board, Lynn Donaldson with Heather 'n Yon, and approximately 16 members of the public were present.

**APPROVAL OF MINUTES:** Motion made by Vice President George and seconded by Director Laubach and passed unanimously to approve the minutes of the May 20, 2021 Regular Meeting as written.

**REPORTS OF DIRECTORS, COMMITTEES, AND PROFESSIONAL CONSULTANTS:**

**President Report:** President Funk commented the Joint Long Range Planning Committee has been created. The committee will be co-chair by Allen Lindeman (HGA Board of Director) and himself. The first meeting will be scheduled for next month and an announcement with the date and time will be communicated.

**General Manager's Report:** The Board received a copy of the General Manager Statement of Work. General Manager Rea reported the HVAC for the restaurant is scheduled to be completed by tomorrow in time for the relaunch of the restaurant kick-off beginning in July. There were no questions or comments on the SOW report.

**Clubhouse/Restaurant Committee:** No Meeting. President Funk commented that the committee will be reformed, and Director Mines will be the chair of the committee. The committee meetings are scheduled to restart in July.

**Foundation Committee:** No Meeting. President Funk commented Director Laubach, Treasurer and Secretary Archambault, and Controller Counts met last month to go over

the outstanding issues on the Foundation financials. The meeting was a positive outcome in smoothly out the process and identifying contributions for better reporting.

**Golf Committee:** The Board received a copy of the Golf Report. Vice President George reported everything was going well. The Golf Superintendent Benko received praise from the committee on how well the golf course looks. There were no questions or comments.

**Property Policy Committee:** President Funk reported the RV Lot's new design layout is complete. Contracts Manager Don O'Gorman will be working with the contractors to get the lot paved and restriped with the new layout. The idea behind the new layout is a security enhancement by bringing the RVs away from the fence line where most of the problems occurred. The enhancement can be discussed further when the Property Policy Procedure Memorandum is discussed. There were no questions or comments.

**Treasurer's Report:** The Board received a copy of the Treasurer's Report. Treasurer and Secretary Archambault reported at the Budget and Finance meeting that Controller Counts mentioned that the auditors will be presenting a draft version of the HGMD 2020 Audit Report in the July Budget and Finance meeting for review. Treasurer and Secretary Archambault encouraged all the Directors to attend that meeting. The audit report will also need to be approved by the Board and filed by July 31 with the State. The Insurance Subcommittee met after the Budget and Finance meeting dealing primarily with the HGA insurance renewal. The insurance quote will not be available until the next couple of months. The insurance industry is expecting to see an increase in property insurance of about 20%. However, the brokers are anticipating that HGMD may see property insurance increase between 10-15%. There will be some other increases in the insurance especially on cyber insurance with the recent attacks that have been happening to companies. Treasurer and Secretary Archambault asked if there were any questions on the Treasurer's Report. There were no questions.

President Funk commented that Treasurer and Secretary Archambault informed the brokers that this year going forward the District will facilitate their insurance package through the Colorado Special District Property and Liability Pool directly.

**Monthly Operating Analysis (MOA):** The Board received a copy of the June 2021 MOAs. Treasurer and Secretary Archambault commented on the Summary of Investments and noted that there is a \$250,000 CD maturing on July 30. At the July Board meeting, the Board will need to instruct Controller Counts on whether to reinvest the funds and find out the market interest rate. There were no questions or comments.

**UNFINISHED BUSINESS:** None.

**NEW BUSINESS:**



- a.) **Motion to Consider Approval of Resolution Designating an Official Custodian for the Colorado Open Records Act:** Motion made by President Funk and seconded by Treasurer and Secretary Archambault and passed unanimously.

Text of Motion: I move that the Heather Gardens Metropolitan District Board of Directors approve the Resolution Designating an Official Custodian for the Colorado Open Records Act.

Explanation: HGMD has never adopted a resolution designating an official custodian for purposes of the Colorado Open Records Act. There is no requirement to do so, and this District has not historically had many open records requests. However, without having this in place if there was an open records request the District would not be able to recuperate a portion of its costs through a research and retrieval fee and have any say over other nuances of how the request was handled.

After the adoption of the Resolution, the Official Custodian stated that he is hereby officially adopting the Rules Related to Requests for Inspection of Public Records Pursuant to the Colorado Open Records Act.

- b.) **Motion to Approve the 2022 Budget Development Schedule:** Motion made by Treasurer and Secretary Archambault and seconded Vice President George by and passed unanimously.

Text of Motion: Based upon a recommendation of the Budget and Finance Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the 2022 Budget Development Schedule.

Explanation: To assist Management, a 2022 Budget Development Schedule has been prepared. The schedule allows for needed deadlines to be met.

- c.) **Motion to Consider Accepting the Revisions to the Heather Gardens Property Policy Procedure Memorandum and the RV Lot Agreement:** Motion made by President Funk and seconded by Director Laubach passed unanimously as amended.

Text of Motion: Based on the recommendations of the Property Policy Committee, I move that the Heather Gardens Metropolitan District Board of Directors accept the Heather Gardens Property Policy Procedure Memorandum and the RV Lot Agreement for review and comment and that the following revisions be incorporated therein:

- Page 5 section F, # 4 - add at the end of the statement “at the cost of the Lessee.”

- Page 18, section 19, letter c – add “Board of Directors” to the paragraph.

Note: The District procedures memorandums are posted for a month for comment and the following month will be considered at the next meeting for approval by the Board.

**OPEN FORUM:**

A resident asked when the restaurant will be open for happy hour and when will it stay open past 6:00 P.M. General Manager Rea commented once the HVAC is completely installed the restaurant will be opened at 100% capacity and hours will be extended to 8:00 P.M. at the beginning of July.

HGA Board Director Lindeman commented he has scheduled the Joint Long Range Planning Committee to meet on July 21 at 9:00 A.M. in the Board room and via Zoom. However, the sound system in the Board room will need to be fixed before the meeting in order for the audience via Zoom to be able to hear. President Funk commented that he and General Manager Rea are investigating devices and hope to have a better sound system in July. This is one of the reasons the District has not met in the Board room.

Vice President George asked if the microphones in the Board room will be fixed. President Funk will be looking into this as well.

Vice President George asked if the membership of the Joint Long Planning Committee is complete. President Funk commented not yet and will be before the meeting.

President Funk commented that there are certain months in the year that the District meetings fall before the Budget and Finance Committee which makes it difficult to discuss financials when they have not been reviewed by the Budget and Finance Committee. This happened in April and also will happen in July and September. A decision was made to adjust the July meeting by canceling the regular July 15 meeting and holding a special meeting on July 22.

A resident commented that this was a very good meeting.

**ADJOURNMENT:** Upon motion by Treasurer and Secretary Archambault, seconded by Director Laubach and passed unanimously, the meeting adjourned at 1:46 P.M.

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William Archambault, Treasurer and Secretary

**GM Department Report  
Statement of Work (SOW)  
7/20/2021**

**End of Month Report - June 2021**

**HGMD**

**Clubhouse**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Post COVID opening	Re-Open	100	X		7/16/2021
Capital Reserves spreadsheet	Budget Planning	100	X		7/21/2021
Aqua Fitness classes		100	X		6/30/2021
Fruit Shak return		100	X		6/30/2021
2022 Budget	Budget Planning	50	X		7/16/2021
Clubhouse usage and rentals	update process	50	X		6/30/21
Rental contracts	consistency	75	X		6/30/2021
Special Event planning	yearly plan	75	X		ongoing
Update web pages	communication	50		X	6/15/2021
Clean basement	safety, team effort	25	X		7/31/2021

<b>Long Range Projects, Implementations &amp; Prospective Projects/Ideas</b>	<b>Status</b>
New class development, new instructors	In-Progress
Evaluate the Opening Hot Tub	In-Progress
Emergency Action plan	Researching
Front Desk renovation	Researching
Capital Project-Stage flooring	Parked

**Golf**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Update Rules for COVID-19 Play	Staying up to date with rules	100	X		6/30/21
Host High School League	Create Revenue	100	X		6/24/21
Re-Stock Golf Shop with Merchandise	Yearly Maintenance	100	X		6/30/21
Add Rakes & Balls washers to course	Transitions away from COVID	100	X		6/30/21
Order & Install New Shoe Cleaner	Maintenance	100	X		6/30/21
Take Drone Photos for New Website	Website Update	100	X		6/30/21
Work with Cormac on New website	Website update	100	X		6/30/21
Add Walking Paths off Tee boxes	Create a new course look	100	X		6/30/21

<b>Long Range Projects, Implementations &amp; Prospective Projects/Ideas</b>	<b>Status</b>
Permanent placement of Simulator	Researching
Upgrade irrigation system	Researching
Bridge replacement	Researching
Add Hedges to left side of # 7 for walker path safety	Researching
Flower Gardens behind tee box of # 1	Researching
Add new ladies tee box on hole #7	Researching
New tee box extension on number #3	Researching
More trees needed for course	Researching
Bridge Cosmetic repair	Researching

**Restaurant**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
Working with new POS company	Improve sales, reduce cost	100	X		
Working on New menu & seasonal cocktails for opening		100	X		6/15/21
HVAC air system planning for beginning of June		100	X		6/15/21
Hired one part time cook	kitchen is staffed now	100	X		6/10/21
Working with Rotary to come back	July 7th due back	100	X		7/7/21
Streamline banquets and parties	create more efficient menus	98	X		7/15/21
Open now summer hours 6days	closed Mondays, new specials	95		X	6/1/21
Working on a new web page with golf to improve web presence		85		X	7/4/21

<b>Long Range Projects, Implementations &amp; Prospective Projects/Ideas</b>	<b>Status</b>
More marketing with the new communications person	Complete
Create SOP's to have in place	Complete
Work with Shamrock on webpage and social media	Complete
Ongoing mean and lean labor cost for parttime staff	In-Progress
Working with Greg on sales opportunities	In-Progress
Working with new Web page company with golf	In-Progress
Get revenues to pre covid sales	In-Progress
Get patio set up for a bustling summer business	In-Progress
Evaluate kitchen equipment, summer is tough on refrigeration	Researching
New Pos system will let us to create lists and loyalty rewards	Researching

**End of Month Report - June 2021**

**HGA**

**Communications**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Behind</i>	<i>Goal for Completion</i>
Communication Governance	Single POC/Issuance Req's	100	X		5/14/2021
Parking Structure Support	Assist with data gathering	100		X	As needed
Scrub Microsoft Office Licenses	Cost savings on software licenses	90		X	6/15/2021
New Resident Orientation Handbook	Completed by Susan Lambert, transition after she leaves	80	X		As needed
IT Room Equipment Usage	Cost Saving Opps/Router/Equipment	50		X	6/4/2021
Document Retention	Research Retention/Programs/Options	0	X		12/31/2021
S:/ Drive Clean-Up	Retention & File Removal/Clean	0	X		7/31/2021
Update/Maintain HG Social Media	Promote awareness of community through social media	0	X		8/31/2021
Research and make documents on the website keyword searchable		0			ASAP

<b>Long Range Projects, Implementations &amp; Prospective Projects/Ideas</b>	<b>Status</b>
Update Clubhouse Welcome packet	Researching
Explore the possibility of using SharePoint as an intranet	Parked
worked with web designer and a demo is done	Parked
All Stream Phone Project	Parked
Explore the possibility of creating Quick Reference Guides for longer HG documents	Parked

**Contracts**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
2021 - 2023 - Trash Bids/ RFP's	Update Trash Contract to better suit the associations needs.	100	X		4/1/21
2021 - FPE Panel Replacements	Replace FPE panels throughout the community to meet City and State Electrical Codes	98	X		7/1/21
Elevator PM RFP/ Contract / Re-Bid/ Renew	Revise Elevator Maintenance Contract to maintain and keep the elevators operable for the residents ease of use.	95	X		7/31/21
2021 Building Paint	To keep the buildings aesthetically pleasing and prevent building leaks	70		X	5/31/21
2021 Elevator Jacks	Replace Elevator Jacks to meet City and State Code Regulations.	45	X		12/31/21
RV Parking Lot	Revising the Parking Lot layout to better suit the needs of the residents using the RV parking lot.	25	X		5/31/21
HGMD Fuel Storage Tank	Install new 500g split tank to supply fuel needs for the small engine fleet.	23			8/1/21
2021 - Carpet	Replace remaining 2nd story carpets of 4-story buildings and start 3rd and 4th floors		X		12/31/21
Parking Structure - Structural Integrity Project w/ Walker Consultants	Prolong the life of the 4 Parking Structures.		X		TBD/ASAP
B215 / Golf Cart Drainage	Resolve HGA and HGMD Drainage Issues		X		TBD/ASAP
Parking Structure - Security Enhancement Project	To help relieve community safety concerns		X		TBD/ASAP
2021 - Road Seal Coat; B213-214, B215-216, Seville, CP4, and CP5-6	Provide sealcoat, crack fill, infrared to help maintain parking lot functionality and appearance.		X		TBD/ASAP

<b>Long Range Projects, Implementations &amp; Prospective Projects/Ideas</b>	<b>Status</b>
Elevator PM RFP/ Contract / Re-Bid/ Renew	In-Progress
HGMD - New Fuel Storage Tank	In-Progress
2021 Carpet Replacement	In-Progress
PS#3 Post Tension Repair	In-Progress
HGMD - New Fuel Storage Tank	In-Progress
Remove Pillars/ Replace Fencing in CP2	Researching
Parking Structures - Security, New Top Coat, Water Proof	Researching
HGMD Clubhouse Baquet/ Management Carper Replacement	Parked
B215/ Golf Cart Drainage	Parked
Access System Controls	Parked
Building 244 - Roof Replacement	Parked
Seville - Sealcoat, Drainage, 231-236	Parked
CP-4 Road Sealcoat	Parked

**Controller/Accounting**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Comp Date</i>
Bank Reconciliations	HGMD Jan-Jun 2021	100		X	6/30/21
Bank Reconciliations	HGA Jan-June 2021	100		X	6/30/21
Balance Sheet Reconciliations		95		X	6/30/21
89 Title Work Move-in/Move out		90		X	7/31/21
PPP Loan Forgiveness Application		90	X		7/15/21
AR/Billing/Prop Mgt in Jenark	General cleanup	75	X		7/31/21
Review each direct report processes	Sit down and review with each team member	20	X		12/31/21
2022 Budget/Cap Reserve.		0	X		8/31/21
Rebuild Control Environment		0	X		12/31/21
RV lot and Garden plots	Automate billing in Jenark	0	X		9/30/21

Capital Res. & I/C cash transfers		0	X		8/31/21
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Long Range Projects, Implementations & Prospective Projects/Ideas	Status
Replace AR/Billing position	Complete
Assume supervisor role for front office	Complete
Training for Ainissa to assume more GL management role	In-Progress
Establish controls for cash management	In-Progress

**Custodial**

**Project Status & Objectives**

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
Covering 1 zone	Covering buildings 223,224, 235 & 236.	100			until further notice
Carpet Cleaning in all buildings	Started in building 218, left of 1st floor	20			
Trash Chutes	Disinfect/power wash trash chutes through out the property.	0			
Side stairs in 4 story buildings	Wash side stairs in 4 story buildings	0			
Carpet Cleaning in (club House	Want to shampoo the whole club house	0			When classes are over we will start
Work Order	Working on some stain work order, we have on work orders that need attention	0			7/9/2021

Long Range Projects, Implementations & Prospective Projects/Ideas	Status
Hiring 1 extra part timer or 1 full timer.	In-Progress

**General Manager**

**Project Status & Objectives**

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
OPEX Budget 2022	Have teams begin OPEX Review	100	X		7/2/21
Capital Reserve/Components List (Draft)	Review/Update/Defer	100	X		7/9/21
Backfill Operations Mgr. & Security Pos	Hiring Committee, Extend Offer	100	X		7/2/21
Backfill Security Chief	Hiring Committee, Extend Offer	100	x		7/1/21
Goals for All Depts	Review/Add Additional Goals/Sit w/ Mgmt.	85		X	6/30/21
Operations Mgr. & Chief On-Boarding	Expectations, Goals & SOW	25	X		9/30/21
CMCA Certification	Professional Certification	25	X		8/31/21
Goals "Big Board"	Finalize Company/Dept Goals	10	X		10/31/21
Uniform/Identification Project/Program	Review Current/Establish New	0	X		8/31/21

Long Range Projects, Implementations & Prospective Projects/Ideas	Status
Restaurant "Plan" Indoor Dining/Capacity % (CR)	Complete
Restaurant/Golf Beverage On Course Beverage Services Plan (GK & CR)	Complete
Paint Striping Projects - Clubhouse & Misc. / 216 Overflow Lot (MD)	Complete
Restaurant HVAC/Windows (JH)	In-Progress
Accounting Clean-Up & Plan (JR & JC)	In-Progress
Fencing Project/Create Options/Present to Committees (JH & JR)	In-Progress
Accounting Monthly Audit Opportunities - 2020 Audit (JC)	In-Progress
Parking Structures Long Term/Security Project - LRP Plan (JH/DO)	In-Progress
Access Control Ideas/Presentation (Due End of September Target)	In-Progress
RV Storage Project (DO)	In-Progress
CP-6 14251 & 14259 Drainage (DO & MM)	In-Progress
Employee On-Boarding Set-Up Docs/401K Set UP/Insurance (HS/JR)	In-Progress
Cross Training Matrix (R&G/Maint Dept)	In-Progress
215 HGMD/HGA Drainage Project (DO)	In-Progress
Seville Drain Pan Project (DO)	In-Progress

Contracts Misc. - Org Chart of Approval Process/RFP/General Docs/Workflow	In-Progress
Emergency Action Plans/Covid/Compile Our Process (DR)	In-Progress
OSHA/Safety Trainings/CPR Certs/Equipment Certs (DR, JR, HS)	In-Progress
Update what we do - All Depts (HnY Photos & Blurbs)	In-Progress
Add Additional Dept to SOW - Comms, Accountant	In-Progress
Safety Committee Meeting/Docs/Signoffs/Bonus (HR, JR)	In-Progress
Coaching/Development/Succession Planning	Researching
Philosophy - Entitlement to Empowerment Project	Researching
Specialized Staffing/Billables In Maint (Carpenter, Elec, Plumb)	Researching
Manager & Assistant Manager Training - Common Goals & Remove Silos	Researching
Custodial Safety Follow-Up and Protocol/SOP	Parked
Succession Planning SOP/Who Handles What/Emergency/Promotion	Parked
Inventory Department Review/(VS) Job Code/Descriptions Review	Parked
Procurement Process - Savings - Opportunities/Review	Parked
Siding/Power wash Planning	Parked
R&G 2010 to 2020 Staffing Then & Now Review	Parked
Utilization Reporting - R&G & Maint	Parked
Internal V External Desktop Support & Services	Parked
New Employee Set-Up Form/Access/Equipment/S/Drive	Parked
Department Report Cards thru Maint Connections	Parked
Vehicle & Equipment Safety Inspection Process/Sign-Off	Parked

**Maintenance**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Comp</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
develop track sheet for projects	completed projects	100	X		5/31/21
purchased of a new vehicle	researching	100	X		6/30/21
kenny Diaz	review	100	X		6/23/21
new on the job training program	review in progress	85	X		5/31/21
ray blackwell	review	75	X		7/9/21
lewis Linthicum	review	50	X		7/27/21
hiring for paint	1 openings	50	X		7/1/21

<b>Long Range Projects, Implementations &amp; Prospective Projects/Ideas</b>	<b>Status</b>
replacing light fixtures in common area building 234	Complete
repainting of the crosswalk next the clubhouse	Complete
Train Leo on acc process	In-Progress
213 , 244,233 chair rail project	In-Progress
schedule for cp's washing siding	Researching
Leaf Guard protection for all cp's	Researching
fencing project	Researching
billables and what that looks like going into the future	Researching
Patch Prep by Servicemen	Parked
boiler repairs 202,204,218,233,234,235	Parked
painting of the 4 stories floor in garbage hallway	Parked
painting of center stairwell landings at the bottom 213-220	Parked
patching hallways in building 234	Parked

**Maintenance Facilities Engineer**

**Project Status & Objectives**

<i>Project Name</i>	<i>Objective</i>	<i>% Conf</i>	<i>On-Time</i>	<i>Late</i>	<i>Goal for Completion</i>
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NTH 2754 basement restoration after sewer pipe replacement	Put basement back together after sewer pipe replacement (Scheduling with contractor)	100%	X		6/30/21
Inspect stairs and landings for a list of repairs needed in 2021	For CAP RES request	100%	X		6/30/21
Building 217 front entry drainage	Modify for better drainage	100%	X		6/30/21
Building 213 Chair Rail	Cap Res Project	100%	X		6/30/21
Get quote and order new evaporative cooler pads for 6 multi-story buildings	5- year evap cooler pad replacement	100%	X		6/30/21
CP-3 unit gutter replacement	Heavy snow damage	100%	X		6/30/21
Restaurant HVAC Replacement	Schedule Replacement	90%	X		7/30/21
217 parking slab CAP RES	Drainage and water from foundation (Outside Temp needs to be sustained above 60 degrees)	85%	X		7/3/21
223 parking slab CAP RES	Drainage and water from foundation (Outside Temp needs to be sustained above 60 degrees)	85%		X	6/30/21
Contractor for ACC lanai sealing	Vet new company	50%	X		7/30/21
Work with Walker Consulting	PS1-PS4 on Structural Testing and Inspections	50%	X		UNKNOWN
CP fencing	Developing a plan for design of fencing that we can get Board approval before moving forward on more fence replacement	40%	X		7/25/2021
Building 233 Unit 610 Roof Leak	Get whole roof fixed or replaced	30%	X		8/1/21
Explore/Research Analog to Digital Elevator phone lines	Possible Upgrade	30%		X	6/25/21
Building 216 Roof Safety Rails	Researching Options (Safety)	30%	X		7/30/21
Help with PM-A1 wording on HGA requirements	Wording in PM-A1 has grey area's not addressed regarding CP patio roofing and Multi-story plumbing material	20%		X	6/25/2021
Research PS Security	PS Security	20%		X	6/30/21
5 year FDC Testing in 14 Multi-story Buildings	Compliance (Scheduled to start in June 2021)	15%		X	6/30/21
Maintenance Master Plan	Go Forward Plan	10%		X	6/30/21
14205-14207 sewer pipe replacement in the basements	Remedy for Continuous drain backups	10%		X	6/30/21

Long Range Projects, Implementations & Prospective Projects/Ideas	Status
2020 Cap Res- Chair Rail 213,244,233	In-Progress
Carpenter, Electrician and Plumber justifications	In-Progress
STH siding trim repairs	In-Progress
Add Fire Alarm Systems in 4 Story Hallways	Parked

**Operations Manager**

**Operations Manager is Currently On-Boarding (GM & OM are Developing Statement of Work with Projects Etc.)**

**Project Status & Objectives**

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
EAP + Laminated Quick Ref card	All Staff / training (Paper & PC) for Safety plan / E	0	X		9/21/21
OPEX Budget review	Team input and Budget for submittal	5	X		7/19/21

Long Range Projects, Implementations & Prospective Projects/Ideas	Status
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**Roads & Grounds**

**Project Status & Objectives**

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
Top dress mulch @ clubhouse		90		X	6/30/21

502 Replacement	replace truck 502	70		X	12/31/20
Clear plant material from buildings		60	X		TBD
Spray ants and fugus in turf	Help with yellowing turf areas	50	X		7/30/21
Mosquito Spray	Treat & Mitigate - 2 Applications (if needed)	30	X		7/30/21
Tree Removal	Remove dead trees	50	X		12/31/21
Retaining Wall - CP1 - Review	Replace broken retaining wall	20	X		8/31/21

Long Range Projects, Implementations & Prospective Projects/Ideas	Status
Truck purchase-approved by board awaiting dealer response	In-Progress
Long Range Master Landscape Plan	In-Progress
Irrigation Effectiveness Plan	In-Progress
Emerald Ash Borerer Treatment	In-Progress
Beaver Stump Grinding - Preston	In-Progress
Treatment for ants and fugus in turf	In-Progress
2021 capital purchase review (what are our needs)	In-Progress
Clean up Yale entrance	In-Progress
Curbside appeal project	In-Progress
Pine Wilt Treatment	Parked
Maint. Shop trash bay	Parked

**Security**

**Security Chief is Currently On-Boarding (GM & SC are Developing Statement of Work with Projects Etc.)**

**Project Status & Objectives**

Project Name	Objective	% Comp	On-Time	Late	Goal for Completion
Create Laptop Checkout Process for Rav4	Officer Accountability	100	X		5/30/21
Complete Department Reviews	Performance Review	100	X		5/30/21
Set up Admin for Vector Solutions Training	Learning/Development	80		X	6/30/21
Obtain CCTV quotes for PS1-4	Increased security	50		X	6/30/21
Complete 2nd resident key audit	Obtain missing keys	40		X	5/31/21
Set up range training for staff certification	Training/Development	33		X	6/30/21
HGA Master Audit	Update Resident Info	30		X	6/30/21
Create Security Master Plan for HOA	Present plan to SEC	0		X	6/30/21

Long Range Projects, Implementations & Prospective Projects/Ideas	Status
Order/install laptop mounts for security vehicles (ordered on 4/5)	Complete
Change building codes on 6/1/21	Complete
Research developmental trainings for staff	Complete
Joe Williquer Annual Review due 6/15	In-Progress
Coordinate Fire Safety Training Meeting with AFD for June/July	In-Progress
Staff to obtain Covid-19 shots (5 of 8 so far)	In-Progress
Meet with Pro-Vigil Security Solutions about CCTV in PS1-4, RV lot	In-Progress
Create Active Shooter Written Plan	In-Progress
Audit structures and garages for no flammable items compliance	In-Progress
Create Fire Emergency Response Plan for Clubhouse (EMP)	Researching
Order new bullet proof vest for Frankie	Researching
Train staff how to copy video to DVR's	Parked
Roads and Ground Spring Tour with Matt Martella	Parked

## **End of Quarter Report Quarter 2 – April through June 2021**

### **HGMD**

### **Clubhouse**

#### **Accomplishments/Department Update**

- The second quarter of 2021 surely did a turnaround from the first part of the year. Covid restrictions were loosened and by June, all restrictions were relaxed and on a path of a new normal. A lot of the classes returned, Clubs are returning, and residents are coming back to the Clubhouse to enjoy the outdoor pool, indoor pool, and all other amenities without reservations! It is like a reunion every day, people returning after 15 months of being separated.
- Indoor pool was closed April 5-18, for annual cleaning and maintenance. Outdoor pool opened Memorial Day weekend. Lap lane times added in mid-April. Aqua classes started in June, when the Outdoor Pool opened. The locker rooms, showers, sauna, will open and the hot tub will be opened.
- The annual Craft Fair was planned as an Indoor and Outdoor event. It was very successful, and the vendors felt they did better outside than other years inside.
- Clubhouse staff schedule was a juggling act. We no longer needed to have an assigned person for hourly cleanings. We do need staff for Pool Attendant on Family swim days. Clubhouse hours was standardized, Mon-Sat 7 am-8 pm, Sun 8 am-6 pm. Clubhouse hours will continue to be evaluated to adjust for demand in the early hours and after 8 pm.
- The FT position, Assistant Clubhouse Manager, was hired on April 26. Training on the ActiveNet Facility schedule has been a challenge with many learning curves for all. Office space was created in the Lodgepole Lounge. Office space will be evaluated, and a plan created.
- The Clubhouse is working on events. We have dances planned, Resource Fair, Craft Fair, Flea Market, concerts and more. We are limiting events to 2 times per month, however, as we progress, more will be added.

#### **Next Quarter/Next 3-Months/Goals**

- Clubhouse rentals will increase. We are getting calls for a variety of parties and receptions.
- Events will start in July. There is an Art show planned along with a Sock Hop dance.
- Preparing for the Resource Fair in Sept and the Craft Fair in October.
- In Sept, when the classes are on break, the Auditorium floors will be refinished, indoor pool will close for annual cleaning.
- Outdoor pool will stay open if the weather holds Hopefully till the indoor pool opens.
- Budget preparation for 2022 Budget.

- Continue to evaluate office space and possibly additional room space.
- Research and evaluate the room scheduling guidelines for Clubs/Classes/rentals, etc.
- Work with the new Clubhouse/Restaurant Committee for upcoming issues at the clubhouse.

### **Budget/Projections/Expenses**

- Budget projections will be off due to a change in the class structure. Classes are offered on a month-to-month basis instead of the 10-week sessions. Classes are also limited by capacity due to COVID. In July we changed to the 10-week schedule, and lifted capacity limits. Registration was in June for the July-Sept classes.
- The Clubhouse is going on its 10-year anniversary and things are starting to show their wear and tear, lights, plumbing, tile work, doors, etc. A Maintenance expense log will be tracked for future budgets.

## **Golf**

### **Accomplishments/Department Update**

- The Second Quarter of 2021 started out wet and cold causing our ladies league to go 4 for 4 on canceled play days in April. When the weather was good the course was extremely busy. Finally, in May we started to get more consistent weather for Colorado, dry and hot! Our ladies league was finally able to begin play, along with our Men's league, that is the official kick off to our golf season.
- Even with all the bad weather we incurred during the second quarter we were still able to best of great revenues from 2020. During the 2<sup>nd</sup> quarter we saw an 8% total increase in rounds over 2020, which was hard to do saying last year was some of the highest round counts we had at HG, that created an extra \$15,858 in rounds income. In 2020 we did not allow double rider carts, so our cart revenue was lower than expected, but in 2021 we are now allowing double rider carts again, which had us see an unprecedented increase of 132% of cart rentals which increased our revenue an extra \$15,017 over 2020. These increases, plus some others, have helped us increase our revenue \$36,826 over the 2<sup>nd</sup> quarter in 2020.
- We were able to get the golf staging area re-stripped for better image and parking of our golf carts for daily use.
- Golf Lessons have increased 185% over last year, with an increased revenue of \$2498 compared to 2020. I was unable to teach lessons last year for 2 out of the 3 months in the second quarter but in June we are still up 65% over 2020.
- COVID has dramatically dissipated due to the vaccine, with that so have our restrictions at the golf course. During the 2<sup>nd</sup> quarter we were able to take away most of our restrictions, masks, single rider carts, tables back out on patio, pull the flag sticks and have rakes in the bunkers. This was huge for our golfers & staff to begin the feeling of normal again.
- Our maintenance staff was busy in the second quarter get the golf course ready for the

2021 season. They performed aeration on the golf course during the month of April, replaced bad sprinkler heads on the irrigation, fertilized & herbicide the whole golf course, installed a new foot sweep station after the 9<sup>th</sup> hole, and did a large bunker renovation on hole # 3.

- During the second quarter they also ramped up their staff adding 2 season workers to help accommodate the extra workload incurred as the weather gets nicer. They increased their mowing frequency and adding a walking path per some golfer's request. The walking path really gives a high-class visual aspect to the course.
- With the lightening up of the COVID restrictions maintenance was able to put rakes, ball washers and new cups out on the golf course in June.

### **Next Quarter/Next 3-Months/Goals**

- As we move into the 3<sup>rd</sup> quarter, we expect to see record breaking months ahead revenue wise. This tends to be our busiest most consistent quarter of the year.
- All restrictions removed; with the way we have been moving with COVID we expect all our remaining restrictions to be fully removed.
- Starting in the 3<sup>rd</sup> quarter we will be repairing groups back together; this will help create even more revenue for the golf course as we will be able to get more people on the course.
- The golf shop and restaurant will be starting a beverage cart that will run on busy days. We expect this to be very well received by all our patrons at HG.
- The Restaurant & Golf shop will be finalizing a new combined website that will go live in the 3<sup>rd</sup> quarter, it will be modern and appealing to everyone.
- The Golf Shop & Golf Maintenance will be working on the 2022 budget.
- Over the next quarter the golf course maintenance will be working on a bunker drainage and renovation project on hole #9, as well as a drainage path from the fairway to the pond on the same hole.
- They will continue their extensive mowing schedule to accommodate our high volume of traffic flow, maintain our beautiful new walking paths, and will do a fall aeration & verticut on the greens.

### **Budget/Projections/Expenses**

- In terms of revenue projections, we have the 2<sup>nd</sup> quarter was good, not as great as I would have liked due to a lot of rain at not great times, but that being said we have increased our revenue the last 3 months over 2020.
- For our overall budget loss, we have done a good job at closing the variance gap between the budgeted loss and actual loss, but we still have more to shave off. With the heavy number of rainy days, we had in the second quarter it has been tough to meet our revenue goals but on the other side we have been very good with payroll and supplies in the budget.
- In terms of expenses for the 3<sup>rd</sup> quarter I do see us having to use some budget money to order some new scorecards, with our increased play we are going through them faster

than normal, I am also expecting using some budget money to cosmetically fix the bridge with diamond plating on hole number 9.

- We will be using capital funds to replace the pumphouse roof on the golf course, along with the north lake getting a new aerator to keep the pond from going stagnant.

## **Restaurant**

### **Accomplishments/Department Update**

- We have gone through many stages of open in the last three months, we are now at 100 % capacity starting July. That includes bringing back summer hours, parties, and buffets again.
- We are booking entertainment, happy hour parties, lunches, special events.
- Now I remember why Courtney was as busy as she was booking banquets and parties.
- We have introduced a new and improved menu including old favorites and new menu items, with food and labor costs raising we are working with our suppliers and figuring ways to save money and keep a high food quality.
- The new HVAC system has been installed and it has been working great.
- Our first buffet was 4<sup>th</sup> of July and we served 255 people, the turnout was amazing, and we really appreciated the show of support.
- Sales have been growing and getting closer to pre covid sales so with taking banquets and parties we hope to get to pre covid numbers soon.

### **Next Quarter/Next 3-Months/Goals**

- Book more parties and events and increase sales. The demand is growing, and we will need to look for an event person in the future to help banquets and parties grow.
- We have a beverage golf cart so we are hopeful we can capture some golf sales this summer.
- We are working on getting the POS system programmed and the new website up and running in the next few weeks.
- We are booking entertainment each Saturday moving forward which pre covid was a good revenue builder.
- Sunday brunches are also big revenue days, we are working with a tight crew of servers, we lost some great servers during covid and there are not a lot of opportunities to hire good quality staff.
- We have scheduled a wine dinner September 29<sup>th</sup> - save the date.
- To increase revenue to pre covid times and get things back to the new normal.

### **Budget/Projections/Expenses**

- Overall, the restaurant continued the trend of running lean with staffing to minimize labor expenses and maintain an acceptable gross profit percentage.
- The new POS System will provide new efficiencies not offered on the current POS and

- will provide savings overtime from an expense standpoint.
- We will monitor the new menu changes and events closely to evaluate their impacts on the overall bottom line.
- We are hopeful that the introduction of the on-Golf Course Cart Beverage services will also add a nice pop to the bottom line over the summer.

## **End of Quarter Report Quarter 2 – April through June 2021**

### **HGA**

### **Accounting**

#### **Accomplishments/Department Update**

- Overall, the second quarter proved to be a very successful one. The Controller and Staff have continued to clean up the department and add efficiencies within process to ensure all tasking, entries etc. are completed timely and accurately.
- Monthly Operating Analysis (MOA) has been completed within 5 business days after the end of the previous month close. The Accounting team has consistently held the MOA review meetings with Management since the new Controller has come aboard.
- Budget & Finance Meetings/Budget Review have continued to improve with the new Controller – the Controller issues a synopsis and analysis to the committee to overview trends, changes, and items they should be aware of prior to the meeting. This has been a vast improvement to provide the HGA perspective with the finances.
- The team partnered with RubinBrown to perform the Accounting Audit. At this time, completion is in sight and should be wrapped up very soon. The team was able to supply RubinBrown with all information and answer questions. Going forward with future Audits, the goal will be to have the Audits (HGA & HGMD) wrapped up in the first quarter.
- Bank Reconciliations & Catch Up have been completed and are up to date.
- Billables/Invoicing for Maintenance Department to Residents is caught up and processed. The team completed 498 invoices for billable services to the community and entered Jenark.

#### **Next Quarter/Next 3-Months/Goals**

- Finalize and Complete HGA and HGMD Audit and Report Findings
- Complete 2021 Budget Review and Presentation Process
- Continue to Clean Up Financials as Needed; AP/AR & Property Mgmt. Items
- Create RV Lot & Garden Plot Tracking/Billing Automation within Jenark
- PPP Loan Forgiveness Completion



## **Contracts/Facilities**

### **Accomplishments/Department Update**

The Department has continued to move forward with planning and executing capital reserve project for 2021. During the 2<sup>nd</sup> Quarter all projects were reviewed, and some have been differed to provide relief to the budget for the 233 Roof replacement project. The department reviewed all Capital Reserve projects slated for 2022 to determine which projects must be completed and others that may be differed.

- Waste Management Bids & Contract Execution – Complete
- FPE Panel Replacement – Complete
- HVAC Install Restaurant – Complete
- 217 Front Entry Drainage Project – Complete
- Building Paint Project – In Progress
- Elevator Jack Replacement – In Progress
- 233 Roof – Make final determination of best plan and move forward prior to seasonal change.
- HGMD Fuel Tank – In Progress, it was determined that a new concrete pad would need to be engineered and installed prior to tank installation which has delayed the project.
- RV Parking Lot – Layout/Restripe, Remove Roots & Repair Damage Asphalt & Seal Coat – In Progress
- 2021 Carpet Project – In Progress

### **Next Quarter/Next 3-Months/Goals**

- Continue to complete Capital Reserve Projects as planned on the Project Sheet.
- Complete Misc. Concrete Repair, Railing & Drainage Projects
- CP Fencing Project – Formal Plan Completion
- Determine Go Forward Plan with Henry/WDG Foam Roofs

### **Budget/Projections/Expenses**

- Communication has heightened between the Contracts/Facilities and Accounting Departments. The Capital Reserve process and advising when invoices should hit, projects occurring etc. has steadily improved to provide accurate information between departments and to the committees.
- The budget has been a challenge this year due to unanticipated projects, however, the review of projects and deferment will put us back to a manageable space and within budget. We will continue to monitor.

## Custodial

### **Accomplishments/Department Update**

- Reminder: With COVID Restriction Changes the department moved from a 7 Day Week disinfect and support schedule back to 5 days a week.
- The Department has seen staffing challenges in recent months however, they have still been able to complete their requirements and obligations to the community. In lieu of these challenges, the staffing, budget etc. has been reviewed and changes have been made within the 2021 budget to increase full time staff and decrease part time staffing counts. This has made joining the Custodial team for new hires a bit more attractive and we have been able to hire and move some staff from PT to FT as well.

### **Next Quarter/Next 3-Months/Goals**

- Cleaning carpets in all 36 buildings. (We are in building 218 moving to building 219)
- Power wash big dumpsters in buildings.
- Power wash trash chutes in all 36 buildings.
- Wax maintenance shop.
- Wax all 18 center stairs in all 6 story buildings.
- Wash all 12 buildings side stairs, 201-212.
- Cleaned Club House carpet, wax both kitchens, deep clean lockers rooms, cleaned windows, deep clean all offices and rooms and wax game room and arts room.

### **Budget/Projections/Expenses**

- Overall, the budget looks good YTD – the payroll is much lower than budget because of the recent staffing needs. 68% of the supply portion of the budget has been used through June which is a concern, and we will continue to monitor to ensure we come in under budget.

## Human Resources

### **Accomplishments/Department Update**

- The Human Resources Department has been very busy the last quarter assembling Hiring Committees, vetting resumes, scheduling interviews etc. to backfill key positions within the HG Mgmt. Office.
  - General Manager – Complete
  - Operations Manager – Complete
  - Assistant Clubhouse Manager - Complete
  - Security Chief – Complete
- Assisting Department with posting job, interviews for backfilling entry level roles

throughout business, specifically Paint, Restaurant Maintenance and Custodial.

- Employee/Employment Referral Program created
- Employee/Resident Gifting Policy Creation & Addendum
- Coordinated Meet the GM & Board Member Resignation Events

#### **Next Quarter/Next 3-Months/Goals**

- Work with Multiple Departments to Develop Safety Awareness & Training Program
  - Weekly & Monthly
- Plan & Coordinate Employee Event for July
- Continue General Support to All Departments and the Business as needed

### **Maintenance**

#### **Accomplishments/Department Update**

- 213 Chair Rail Project - started on 3/29, close to being completed, walked on 6/29/21 for inspection – Complete
- Replacement of fluorescent lights on all floors in building 234 – Complete
- Painting & restripe of clubhouse parking lot – Complete
- Power washed to 2 cp units in April as beta test – Complete, will review as Capital Reserve project for 2022.
- Physical Inventory June – Part/Inventory Department – Complete
- Swamp cooler maintenance to restart in May in all buildings - Complete
- Hired 2 personnel, in the month of June 1 for paint, 1 for maintenance, started 6/28/21.
- All reviews done on time and Complete

#### **Next Quarter/Next 3-Months/Goals**

- Continue to hire for the last 2 positions open in paint and maintenance.
- Boiler repairs in the following buildings 202,214,218,234,235,236, over the next couple of months July through the end of August.
- Begin Chair rail project in building 244 on July 19, 2021.

#### **Budget/Projections/Expenses**

- Year to Date, wages/benefits have exceeded budget mostly attributed to Hero pay earlier in the year.
- Reviewed Capital Reserve Component Project List & deferrals for 2022.
- In-Progress, OPEX budget Draft review – its is appearing based on Cost of Good increases that the Maintenance Department budget may need to increase from 2021 to cover materials and so on.

## Operations

### Accomplishments/Department Update

- The 2<sup>nd</sup> Quarter saw quite a few changes, specifically with staffing. The Board extended an offer to make the previous Operations Manager the General Manager. The Operations Manager Role has been backfilled at this time along with the Security Chief Role. Currently, the outlook for the Management Team and Staff Overall is optimistic. The team has a relatively full staff outside of a few entry-level positions. The goal moving forward will be to get everyone on-boarded quickly and up to speed. Ultimately, we would like to get all departments hitting on all cylinders and then moving towards a proactive approach to improve efficiencies and identify continual improvement opportunities. We have played a bit of catch up in some departments due to the gap of filling Managerial Roles in the recent months. Staff Morale, Teamwork, Collaboration, and communication are steadily improving internally with the Association Staff and out to the community. With the addition of new managers and personnel we will continue the effort to develop synergy, training, and partnership throughout the entire business.
- Communication Governance was rolled out within the Association office and to the community. Overall, the changes seem to be effective, and the feedback has been primarily positive to the changes. This has eliminated many Ad-Hoc communications and the spam feel out to the residents. It has provided a consistent cadence and uniformity with the communications so far.
- Communication has continued through the GM Open Forum, during the 2<sup>nd</sup> Quarter we began adding a “Manger of the Month” to the Open Forum to discuss their business, field any questions and feedback. The goal of this was to increase awareness about the department, their focus and ultimately build rapport with the communication – put a face with a name. We want our managers to be identifiable within the community and most importantly approachable to provide solutions to the community along with have a pulse on resident perspective.
- Maintenance Connections Inventory – MC Representative came out to HG to assist the implementation of the inventory portion within the system. This will be a work in progress as the HG Team continues to develop efficiencies within the system that work with our business. The changes have been made and Go Live internally is 7/12/21.

### Next Quarter/Next 3-Months/Goals

- Complete the Manager’s Budget Draft, Work Shops etc. in Preparation for Presentation and Approval.
- General Manager and Operations Manager continue to develop Department Deliverables with All the Managers – Develop Additional Expectations, Objectives, and Goals within the departments. Ensure that we are getting the most out of the individuals, teams, and departments. Preparation for remainder of the year and 2022 Goals etc.

- Ongoing from previous Quarter - Continue to Develop Managers throughout the office and maintenance shop from a customer service, support, and partnership standpoint.
- Implement Changes to the Board Room to Enhance Sounds Quality for Hybrid Meetings, In-Person and Zoom Meetings.

### **Budget/Projections/Expenses**

- Net/Net Income & Expense Net Operating the Association is Under Budget. Notable unfavorable considerations that have occurred YTD are Hero Pay Expenses, Natural Gas Increase during Cold Snap that hit in 2<sup>nd</sup> Quarter. We have seen some favorable results in cost savings in some departments and are anticipating close to on target budget to close out the remainder of the year. We will be exploring cost savings opportunities throughout the department and continuing to explore procurement opportunities.

## **Roads & Grounds**

### **Accomplishments/Department Update**

- Overall, the second quarter of the year has been spent mowing, pruning, and completing a few special projects. TruGreen has been scheduled to spray weeds and spray for mosquitos (July 9<sup>th</sup> and 13<sup>th</sup> respectively).

#### **Pruning Crew:**

- Flush cutting shrubs to allow for new growth and better future management.
- Pruning and removal of shrubs
- Tree removals
- Completing work orders

#### **Mow/Special Projects Crew:**

- Mowing, trimming and edging property.
- Installing resident flower beds
- Installing bench pads
- Removal of poor turf areas for rock beds
- Fertilization and aeration of entire property

#### **Irrigation Crew:**

- Replacing leaking or nonoperational valves
- Replacing sprinkler heads that were broken during mowing operations.
- Replacing nozzles for more efficient water usage

### **Next Quarter/Next 3-Months/Goals**

- Continue to fine tune irrigation system to waste less water.

- Continue smooth and efficient mowing operations.
- Complete pruning cycle and continue completing work orders.
- Finish held over special projects.
- Hire at least 2 full time employees.

### **Budget/Projections/Expenses**

- Since our YTD budget is more in line with expectations, we will be ordering some rock, weed barrier and platers mix to complete some special projects that have been put on the back burner. We are still looking at possibly doing a mid-season fertilization if it fits into the budget.
- We will be using outside contractors for the weed and mosquito spray application and stump removals along the wildlife fencing.
- We are looking at possibly changing directions on the purchase of new truck to replace 502. I would like to have that process completed by the end of the next quarter.

<b>Security</b>
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### **Accomplishments/Department Update**

- The previous Security Chief resigned during the 2<sup>nd</sup> Quarter. The last month of the quarter has been spent finding a backfill for the position. An offer has been extended and accepted by an internal candidate, Mike Martinez.
- During the hiring process, the department did not miss a beat with their Security Report Communications to the community.
- Laptop Mount Install & Check Out for Rav4
- Vector Learning Development Program Implementation

### **Next Quarter/Next 3-Months/Goals**

- The next quarter will be spent on solidifying the staffing and on-boarding the new Security Chief. There are some new officer additions that have occurred and there will be a department transfer in the 3<sup>rd</sup> Quarter.
- Review Overall Staffing & Schedules for Coverage
- Training & Cross Training Officers in Different areas to increase bench strength.
- Develop Security Master Plan
- Review Department Efficiencies and Implement Change as needed

### **Budget/Projections/Expenses**

- The department is slightly over budget currently due to Overtime and Hero Pay Adjustments earlier in the year. We should see a slight pickup in salary with the absence of a security chief for 3 weeks however, not enough to wipe the current overages away. We will have to continue to monitor the department and identify opportunities for savings to hit budget.
- Fuel Expense has increase with the changes in gas prices.

## Heather Gardens Clubhouse/Restaurant Committee

### Meeting Report

July 13, 2021

**Chair,** Maria Mines opened the meeting at 3:00 pm with all committee members present.

Maria introduced herself to the members and asked each in turn to introduce themselves.

**Review/Approval Report:** The report of the October 13, 2020 meeting will be discussed at the August meeting as no one present has had the opportunity to review it.

**Review of Financial Reports:** Reported by Clubhouse Manager, Linda Aluise and Restaurant Manager, Cormac Ronan. Committee members asked questions concerning using outside contractors and what should members be looking for in reviewing the financial reports. Explanations were given by both Linda and Cormac and Jon Rea, Heather Gardens General Manager.

**Unfinished Business:** Maria asked that the Business Plan for the Restaurant prepared by the previous Clubhouse/Restaurant Committee be emailed to all the new committee members.

Maria introduced the new Operations Manager, Jason Altshuler.

There being no further business the meeting was adjourned at 4:05 pm.

The next Clubhouse/Restaurant Committee meeting will be held August 10, 2021 at 3:00 pm.

Jean Baldwin, Secretary



## Golf Committee Meeting notes – July 13, 2021

1. Called to order at 1:00 PM.
2. Quorum present.
3. Minutes from June meeting approved.
4. Financial reviewed and approved.
5. Golf Supervisor – Brian received many complements for the way the course looks. Reported that a new drainage system was installed at #9 bunker. They plan a similar system for #5 bunker. Green aeration and fertilization coming to a green near you soon. Irrigation system was discussed, it will have to be done in parts due to cost.
6. Golf Pro - Greg stated that 2 High School tournaments had been hosted and others are being planned. Greg will be doing some "online" specials as demand allows. A clock for the Pro shop was suggested, Greg hopes to have one for the 1st tee soon.
7. Men's Club - Ed Bradley reported that the Men's Club has 75-80% of their 110 members playing regularly. Planning a Beer & Brats session.
8. Women's Club - Beulah Gould reported that the women are playing 60 and staying for lunch. Windsor Woman's club won't play them, don't like the format (their format). Women made a record \$800+ on their bake sale.
9. Reviewed 2022 rates and made recommendations for the Metro District Board to consider.
10. Adjourned at 2:00 pm.

Mike George, Chair

## HGMD TREASURER'S REPORT for JULY 2021 BOARD MEETING

### Highlights of District Operations:

#### FOR THE MONTH ENDED JUNE 2021

	Budget	Actual
Clubhouse Profit (loss)	(\$51,314)	(\$43,536)
Golf Profit (loss)	(\$7,336)	(\$3,433)
Restaurant Profit (loss)	(\$4,906)	(\$11,585)

#### YEAR TO DATE THROUGH JUNE 2021

	Budget	Actual
Clubhouse Profit (loss)	(\$350,921)	(\$260,578)
Golf Profit (loss)	(\$118,034)	(\$141,038)
Restaurant Profit (loss)	(\$34,034)	(\$60,901)

### Enterprise Fund

Enterprise Fund revenue through June was \$1,145,000 which is about \$231,000 less than expected. Income for the Clubhouse, Golf Course and Restaurant have been severely impacted by Covid. While some improvement is expected for the remaining months of the year annual income projections will not be met.

Enterprise Expenses through June were \$930,000 which is about \$490,00 less than anticipated. Clubhouse, Golf Course, Restaurant and Capital expenses are all less than anticipated.

## **Restricted Funds**

**Conservation Trust Fund (Lottery).** The District has received \$10,800 from the Colorado lottery and has spent \$2,400 on District projects so far this year. The bank account for the Conservation Trust Fund has a balance of \$163,252.

**Foundation Fund.** The Foundation has received \$991 in donations through June. The Foundation Fund has been used to pay \$594 for District projects. At June 30<sup>th</sup>, the bank account has a balance of \$41,977 and there is an investment of \$150,000 in CD's.

**Debt Service Fund.** The District has received \$383,000 in property tax revenue and \$16,700 in specific ownership tax through June. At June 30<sup>th</sup>, the Zion Bank held \$485,644 for payment of principal and interest on the bond issue. The next principal and interest payment on the bond issue will be due December 1<sup>st</sup>.

# HEATHER GARDENS METROPOLITAN DISTRICT

## Budget Exceptions Report

Through: 06/30/21

	YTD ACTUAL	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	% of Budget	Annual Budget	% of Annual Budget Spent
Total Revenue	\$ 1,556,496	\$ 1,788,241	\$ (231,747)	-13.0%	\$ 3,361,747	46%
Cost of Goods Sold	\$ 56,901	\$ 111,123	\$ 54,222	48.8%	\$ 227,869	25%
Gross Profit	\$ 1,499,595	\$ 1,677,118	\$ (177,525)		\$ 3,133,878	
Operating Expenses	\$ 1,005,126	\$ 1,239,086	\$ 233,960	18.9%	\$ 2,684,289	37%
<b>Net Operating Income/(Loss)</b>	<b>\$ 494,469</b>	<b>\$ 438,032</b>	<b>\$ 56,435</b>		<b>\$ 449,589</b>	
Capital Improvements Exp	\$ 93,049	\$ 354,620	\$ 261,571		\$ 545,101	
<b>Net Surplus/(Loss)</b>	<b>\$ 401,420</b>	<b>\$ 83,412</b>	<b>\$ 318,006</b>		<b>\$ (95,512)</b>	

### Executive Summary

#### Club House

Revenue	\$ 45,589	\$ 58,918	\$ (13,329)	-22.6%	\$ 109,044	42%
Expenses	\$ 306,167	\$ 409,839	\$ 103,672	25.3%	\$ 802,334	38%
<b>Net Subsidy</b>	<b>\$ (260,578)</b>	<b>\$ (350,921)</b>	<b>\$ 90,343</b>		<b>\$ (693,290)</b>	

#### Golf

Revenue	\$ 164,477	\$ 205,192	\$ (40,715)	-19.8%	\$ 469,218	35%
Expenses	\$ 305,531	\$ 323,226	\$ 17,695	5.5%	\$ 640,666	48%
<b>Net Subsidy</b>	<b>\$ (141,054)</b>	<b>\$ (118,034)</b>	<b>\$ (23,020)</b>		<b>\$ (171,448)</b>	

#### Restaurant

Revenue	\$ 164,121	\$ 324,436	\$ (160,315)	-49.4%	\$ 658,492	25%
Cost of Goods Sold	\$ 53,356	\$ 104,341	\$ 50,985	48.9%	\$ 211,773	25%
Gross Profit	\$ 110,765	\$ 220,095	\$ (109,330)	-49.7%	\$ 446,719	
Expenses	\$ 171,666	\$ 254,125	\$ 82,459	32.4%	\$ 513,123	33%
<b>Net Subsidy</b>	<b>\$ (60,901)</b>	<b>\$ (34,030)</b>	<b>\$ (26,871)</b>		<b>\$ (66,404)</b>	

Restricted Funds	Total Revenue	Total Expenses	Net Surplus/(Loss)	Cash Balance
Conservation Trust Fund	\$ 10,836	\$ 2,386	\$ 8,450	\$ 163,252
Debt Service Fund	\$ 399,718	\$ 164,846	\$ 234,872	\$ 485,644
Foundation Fund	\$ 991	\$ 594	\$ 397	\$ 191,977

**HGMD MONTHLY CAPITAL RESERVE REPORT FOR PERIOD ENDING:  
06/30/21**

2021 FUNDED PROJECTS	2021 BUDGET AMOUNT	2021 PROJECT AWARD	EXPECTED START DATE	EXPECTED COMPLETION DATE	PRIOR YRS INV. PAID	2021 INVOICES PAID TO DATE	UNDER/ (OVER) AWARD AMOUNT	UNDER / (OVER) BUDGET	PROJECT STATUS
	A	B			C	D	B-C-D	A-C-D	
Board Room AV System	\$21,425						\$0	\$21,425	Project On-Hold - Zoom Meetings and Impacts from COVID have/will changed specific needs/reqs of this project
Parking Lot - Maintenance Bldg	\$59,282						\$0	\$59,282	On-Hold until Above Ground Fuel Tank Project is Executed
Sealcoat RV Lot	\$40,000	\$3,000				\$2,760	\$240	\$37,240	
Restaurant HVAC	\$120,000	\$118,418				\$52,542	\$65,877	\$67,459	50% down payment
Fuel Tank	\$60,000	\$59,053				\$13,680	\$45,373	\$46,320	30% down payment
Pump House Roof TPO	\$10,350						\$0	\$10,350	In April, the Board approved the \$10,350 carry forward 2020 spending authority to 2021.
Golf Cart Fleet Batteries (6 per cart) (from 2020)	\$43,563	\$43,563	1/1/2021	1/31/2021		\$24,068	\$19,495	\$19,495	In May, the Board approved the \$43,563 carry forward 2020 spending authority to 2021.
<b>TOTAL 2021 FUNDED PROJECTS</b>	<b>\$354,620</b>	<b>\$224,034</b>			<b>\$0</b>	<b>\$93,049</b>	<b>\$130,985</b>	<b>\$261,571</b>	
<b>2021 UNBUDGETED PROJECTS</b>									
2021 Contribution to Reserves	\$83,151						\$0	\$83,151	
Capital Adjustment	\$107,330						\$0	\$107,330	
							\$0	\$0	
<b>TOTAL 2021 UNBUDGETED PROJECTS / RESERVES</b>	<b>\$190,481</b>	<b>\$0</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$190,481</b>	
<b>TOTAL 2021 CAPITAL PROJECTS</b>	<b>\$545,101</b>	<b>\$224,034</b>			<b>\$0</b>	<b>\$93,049</b>	<b>\$130,985</b>	<b>\$452,052</b>	
<b>PROJECTS TARGETED FOR COMPLETION IN 2021 BUT NOT IN PUBLISHED BUDGET</b>									
							\$0	\$0	
							\$0	\$0	
<b>TOTAL PRIOR YEAR PROJECTS NOT BUDGETED IN 2021</b>	<b>\$0</b>	<b>\$0</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>GRAND TOTAL</b>	<b>\$545,101</b>	<b>\$224,034</b>			<b>\$0</b>	<b>\$93,049</b>	<b>\$130,985</b>	<b>\$452,052</b>	

**HEATHER GARDENS FOUNDATIONS  
FOUNDATION DONATION SUMMARY  
January - June 2021**

Description	General	Roads & Grounds	Club House	Golf	Trees	Totals
Balance at beginning of January	173,044.82	324.50	375.70	40.00	13,992.59	187,777.61
Interest						0.00
Donations for Jan-Apr 2021	1,556.99				50.00	1,606.99
<b>Corrections made in April</b>						
Less misapplied deposit for Garden Plots	-105.00					-105.00
Less misapplied deposit for Indemnity checks	-598.00					-598.00
Less misapplied deposit for WO pmt	-69.99					-69.99
Less misapplied deposit for large item disp.	-25.00					-25.00
Expenses for April 2021	-594.25					-594.25
Legend 6' Teak Bench w/back rest						
Donations for May 2021	155.00					155.00
<b>Corrections made in June</b>						
Less misapplied deposit for HOA fees	-54.00					-54.00
Less misapplied deposit for large item disp.	-50.00					-50.00
Record Feb 2021 check from Bldg 217 recorded as a Seville pmt	50.00					50.00
Donations for June 2021	81.46					81.46
Balance at end of the month	173,392.03	324.50	375.70	40.00	14,042.59	188,174.82

**RECONCILIATION TO GL**

D103.5 Foundation Checking Account - June 2021	\$ 41,977.41
D106.1 Foundation Investment Account - June 2021	\$ 150,000.00
D121 Due From MD for 2020 Deposits	\$ 3,710.00
D121 Owed to MD for 2020 Expenditures	\$ (7,683.34)
D121 Due From MD for 2021 Deposits	\$ 765.00
D121 Owed to MD for 2021 Expenditures	\$ (594.25)
	<u>\$ 188,174.82</u>

Heather Gardens Metropolitan District  
 Summary of Investments  
 06/30/21

Bank	Yield	Maturity	Interest Paid	Principal	Monthly Interest	Fund	Account
<b>Key Bank - Foundation</b>							
Bank of America							
Pinnacle Bank	0.20%	6/27/2022	Maturity	\$ 100,000	\$ 16.67	Foundation	D106.1
Transportation Alliance BK	0.15%	1/8/2022	Semi Annual	\$ 50,000	\$ 6.25	Foundation	D106.1
Foundation - checking				\$ 41,977		Foundation	D103.5
				<u>\$ 191,977</u>	<u>\$ 22.92</u>		
<b>Key Bank - Conservation Trust Fund/Lottery</b>			Monthly	\$ 157,210	\$ 1.29	Conservation	D104
TBK BK SSB CTF	0.10%	7/30/2021	Semi Annual	\$ 250,000	\$ 20.83	Enterprise	D106
Safra National Bank New York	0.10%	9/9/2021	Semi Annual	\$ 250,000	\$ 20.83	Enterprise	D106
Texas Capital Bank	0.25%	8/8/2022	Semi Annual	\$ 250,000	\$ 52.08	Enterprise	D106
				<u>\$ 750,000</u>	<u>\$ 93.75</u>		
<b>Total Investment</b>				<u>\$ 1,099,187</u>	<u>\$ 117.96</u>		



2888 So Heather Gardens Way  
Aurora CO 80014

	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
<b>REVENUE</b>							
D503 Conservation Trust (Lottery)	6,041	1,533	4,508	10,830	9,198	1,632	18,400
D504 Interest Income	(76)	900	(976)	764	5,400	(4,636)	10,800
D504.2 2010 Bond Restr Interest	0	81	(81)	0	486	(486)	966
D504.3 Interest Income Lottery	1	0	1	6	0	6	0
D505 Recreation Fee Income	126,648	126,397	251	758,837	758,382	455	1,516,758
Restaurant Income	38,093	53,888	(15,795)	164,121	324,436	(160,315)	658,492
D507 Golf Fees Daily	38,627	50,897	(12,270)	108,137	144,568	(36,432)	332,695
D507.1 Golf Simulator	10	240	(230)	1,185	1,840	(655)	3,720
D509.2 Golf Disc - 40 Play	4,411	2,664	1,747	14,308	8,604	5,704	17,064
D511 Golf Cart Rental Income	11,407	10,625	782	25,415	32,895	(7,481)	69,105
D511.1 Golf Merchandise	2,683	2,741	(58)	9,227	13,046	(3,819)	30,955
D511.2 Golf Lesson	1,630	700	930	4,535	1,945	2,590	4,090
D511.3 Golf Bag Storage	0	0	0	200	0	200	6,525
D511.4 Golf Pull Cart	552	674	(122)	1,470	2,294	(824)	5,064
D512 CH Building Rentals	2,100	1,425	675	4,445	8,550	(4,105)	17,100
D513 Events	(10)	2,270	(2,280)	1,075	13,620	(12,545)	27,245
D513.1 Trips Revenue	1,946	1,333	613	3,262	7,998	(4,736)	15,996
D514 RV Lot Income	1,100	0	1,100	9,738	20,904	(11,166)	41,808
D514.1 Garden Plot Income	150	0	150	1,425	2,520	(1,095)	2,520
D515 Classes	15,950	9,920	6,030	33,153	26,116	7,037	43,438
D515.1 Donation Revenue	27	0	27	991	0	991	0
D516 Miscellaneous Revenue	1,256	0	1,256	2,842	0	2,842	0
D516.1 Coffee Revenue	230	439	(209)	812	2,634	(1,822)	5,265
D517 Property Tax Revenue	23,489	34,769	(11,280)	383,013	382,807	206	493,745
D518 Specific Ownership Tax Revenue	2,516	3,333	(817)	16,705	19,998	(3,293)	39,996
<b>TOTAL REVENUE</b>	<b>278,782</b>	<b>304,829</b>	<b>(26,047)</b>	<b>1,556,497</b>	<b>1,788,241</b>	<b>(231,744)</b>	<b>3,361,747</b>
D590 Cost of Goods Sold	11,478	18,756	7,278	56,901	111,123	54,222	227,869
<b>GROSS PROFIT</b>	<b>267,304</b>	<b>286,073</b>	<b>(18,769)</b>	<b>1,499,596</b>	<b>1,677,118</b>	<b>(177,522)</b>	<b>3,133,878</b>
<b>OPERATING EXPENSES</b>							
D519 Zion Bank Payee Fee	0	117	117	0	702	702	1,400
D520 Debt Service Interest	26,890	26,442	(448)	159,100	158,652	(448)	317,300
D522 Services - Insurance	4,108	4,720	612	24,647	28,320	3,673	56,635
D523 Services - Audit	250	6,750	6,500	10,954	41,750	30,796	44,750
D523.5 Bad Debt Expense	0	0	0	0	0	0	2,250
D524 Services - Professional	2,634	3,000	366	18,597	18,000	(597)	36,000
D525 County Collection Fee	353	530	177	5,746	5,821	75	7,407
D526 Miscellaneous Expense	14	0	(14)	572	0	(572)	0
D526.1 SDA Membership Dues	0	0	0	1,204	2,400	1,196	2,400
D550 Club House Expenses	65,012	66,702	1,690	306,167	409,839	103,672	802,334
D555 Golf Course Expenses	62,487	60,030	(2,457)	301,986	316,689	14,703	624,560
D557 Restaurant Expenses	38,483	41,462	2,979	171,666	254,125	82,459	513,123
D560 RV Lot Expenses	50	254	204	1,507	1,524	17	3,050
D565 Garden Plot Expenses	0	257	257	0	766	766	2,084
D566 Conservation Expenses	0	0	0	2,386	0	(2,386)	0
D601 Capital Outlay	0	10,350	10,350	93,049	354,620	261,571	545,101
D604 Insurance Claims	0	83	83	0	498	498	996
D620 Foundation Expense	0	0	0	594	0	(594)	0
D700 Bond Principal Payment	0	0	0	0	0	0	270,000
<b>TOTAL OPERATING EXPENSES</b>	<b>200,281</b>	<b>220,697</b>	<b>20,416</b>	<b>1,098,176</b>	<b>1,593,706</b>	<b>495,530</b>	<b>3,229,390</b>
<b>NET OPERATING REVENUE/EXPENSE</b>	<b>67,023</b>	<b>65,376</b>	<b>1,647</b>	<b>401,420</b>	<b>83,412</b>	<b>318,008</b>	<b>(95,512)</b>
<b>NET REVENUE EXPENSE</b>	<b>67,023</b>	<b>65,376</b>	<b>1,647</b>	<b>401,420</b>	<b>83,412</b>	<b>318,008</b>	<b>(95,512)</b>



2888 So Heather Gardens Way  
Aurora CO 80014

	CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
<b>RESTRICTED FUNDS</b>							
<b>CONSERVATION TRUST FUND (Lottery)</b>							
REVENUE							
D503 Conservation Trust (Lottery Ac	6,041	1,533	4,508	10,830	9,198	1,632	18,400
D504.3 Interest Inc Lottery	<u>1</u>	<u>0</u>	<u>1</u>	<u>6</u>	<u>0</u>	<u>6</u>	<u>0</u>
TOTAL LOTTERY REVENUE	6,042	1,533	4,509	10,836	9,198	1,638	18,400
EXPENSES							
D566 Conservation Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,386</u>	<u>0</u>	<u>(2,386)</u>	<u>0</u>
TOTAL LOTTERY EXPENSES	0	0	0	2,386	0	(2,386)	0
<b>REVENUE OVER(UNDER) EXPENSES</b>	<b><u>6,042</u></b>	<b><u>1,533</u></b>	<b><u>(4,509)</u></b>	<b><u>8,450</u></b>	<b><u>9,198</u></b>	<b><u>748</u></b>	<b><u>18,400</u></b>
<b>FOUNDATION FUND</b>							
REVENUE							
D515.1 Donation Revenue	<u>27</u>	<u>0</u>	<u>27</u>	<u>991</u>	<u>0</u>	<u>991</u>	<u>0</u>
TOTAL FOUNDATION REVENUE	27	0	27	991	0	991	0
EXPENSES							
D620 Foundation Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>594</u>	<u>0</u>	<u>(594)</u>	<u>0</u>
TOTAL FOUNDATION EXPENSES	0	0	0	594	0	(594)	0
<b>REVENUE OVER(UNDER) EXPENSES</b>	<b><u>27</u></b>	<b><u>0</u></b>	<b><u>27</u></b>	<b><u>397</u></b>	<b><u>0</u></b>	<b><u>397</u></b>	<b><u>0</u></b>
<b>DEBT SERVICE FUND 2010 BOND ISSUE</b>							
REVENUE							
D517 Property Tax Revenue	23,489	34,769	(11,280)	383,013	382,807	206	493,745
D518 Specific Ownership Tax	2,516	3,333	(817)	16,705	19,998	(3,293)	39,996
Bond Restricted Interest	<u>0</u>	<u>81</u>	<u>(81)</u>	<u>0</u>	<u>486</u>	<u>(486)</u>	<u>966</u>
TOTAL DEBT SERVICE REVENUE	26,005	38,183	(12,178)	399,719	403,291	(3,572)	534,707
EXPENSES							
D520 Debt Serv Interest	26,890	26,442	(448)	159,100	158,652	(448)	317,300
D525 Cnty Collection Fee	353	530	177	5,746	5,821	75	7,407
D700 Bond Principal Pymnt	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>270,000</u>
TOTAL DEBT SERVICE EXPENSES	27,243	26,972	(271)	164,846	164,473	(373)	594,707
<b>REVENUE OVER (UNDER) EXPENSES</b>	<b><u>(1,238)</u></b>	<b><u>11,211</u></b>	<b><u>(12,449)</u></b>	<b><u>234,873</u></b>	<b><u>238,818</u></b>	<b><u>(3,945)</u></b>	<b><u>(60,000)</u></b>

2888 So Heather Gardens Way  
Aurora CO 80014

Cash - Operating	996,563
Capital Projects - Savings	327,465
Conservation (Lottery) Bank Acct	163,252
Investments	750,000
Investments - Foundation	150,000
Zion Debt Service	485,644
Foundation Account	41,977
Accounts Receivable Net of Allowance	35,467
Due To/From HGA	(642,372)
Inventory	45,498
Prepaid Expenses	24,646
Prop Tax Receivable	493,757
<b>TOTAL CURRENT ASSETS</b>	<b><u>2,871,898</u></b>
<b>BUILDING, LAND &amp; EQUIPMENT (Net of Depr)</b>	
CIP Asset	18,515
Restaurant Equipment	69,512
Equipment	364,817
Property	8,808,312
Land At Cost	1,725,000
Intangible Assets	133,190
<b>TOTAL BUILDING, LAND &amp; EQUIPMENT</b>	<b><u>11,119,346</u></b>
<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b><u>13,991,244</u></b>
<b>CURRENT LIABILITIES</b>	
Accounts & Interest Payable	26,552
Bonds Payable - Short Term	270,000
Unearned Revenue	40,238
Prepaid Rec Fees	28,513
Gift Cards	11,397
Sales Tax Payable	4,685
Server Tips Payable	3,758
Deferred Property Tax	493,757
Deferred Insurance Claims	22,964
Deferred Revenue - PARQ	7,204
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>909,069</u></b>
<b>LONG TERM DEBT</b>	
Bond Issue	7,685,000
Deferred Loss Series 2017 Refunding Bond	(647,074)
Original Issue Premium 2017 Bonds	667,734
RV Lot Gate Opener Deposit	2,135
<b>TOTAL CURRENT &amp; LONG TERM LIABILITIES</b>	<b><u>8,616,864</u></b>
<b>FUND EQUITY</b>	
Investment In Property	3,404,437
Debt Service Fund	252,626
Conservation Trust Fund (Lottery)	128,762
Heather Gardens Foundation	191,201
Unrestricted Net Assets	1,123,283
Tabor Reserve	18,008
Closing Entry	(145,356)
Net Income/(Loss)	401,420

2888 So Heather Gardens Way  
Aurora CO 80014

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<b>Total Equity</b>	<b>5,374,381</b>
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<b>TOTAL LIABILITIES AND EQUITY</b>	<b>13,991,244</b>
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**Heather Gardens Metropolitan District  
Club House P&L  
06/30/2021**

7/12/2021  
2:55 PM

	CURRENT ACTUAL	CURRENT BUDGET	CURRENT VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET	
<b>REVENUE</b>								
D512	CH Building Rentals	2,100	1,425	675	4,445	8,550	(4,105)	17,100
D515	Classes	15,950	9,920	6,030	33,153	26,116	7,037	43,438
D513	Events	(10)	2,270	(2,280)	1,075	13,620	(12,545)	27,245
D516	Miscellaneous Revenue	1,256	0	1,256	2,842	0	2,842	0
D516.1	Coffee Revenue	230	439	(209)	812	2,634	(1,822)	5,265
D513.1	Trips Revenue	1,946	1,333	613	3,262	7,998	(4,736)	15,996
	<b>TOTAL REVENUE</b>	<b>21,472</b>	<b>15,387</b>	<b>6,085</b>	<b>45,589</b>	<b>58,918</b>	<b>(13,329)</b>	<b>109,044</b>
<b>WAGES/BENEFITS</b>								
C500	Salaries - FTP	11,378	8,854	(2,524)	42,958	53,124	10,166	107,607
C510	Salaries - Part Time	6,559	6,808	249	49,148	40,848	(8,300)	81,691
C520	Salaries - Overtime	10	0	(10)	15	0	(15)	0
C530	Salaries - Teachers	8,660	4,090	(4,570)	25,273	24,761	(512)	49,003
C540	Taxes - Payroll	2,513	1,580	(933)	11,609	10,789	(820)	20,249
C550	Retirement Expense	157	170	13	941	1,020	79	2,045
C553	Insurance - Personnel	601	1,096	495	3,551	6,576	3,025	13,810
C574	Recruit/Train/Services	0	363	363	741	1,263	522	2,295
C575	Employee Incentive	0	0	0	50	0	(50)	0
C588	Workers Comp Insurance	212	212	0	1,507	1,272	(235)	3,608
	<b>TOTAL WAGES/BENEFITS</b>	<b>30,090</b>	<b>23,173</b>	<b>(6,917)</b>	<b>135,793</b>	<b>139,653</b>	<b>3,860</b>	<b>280,308</b>
<b>OPERATING EXPENSES</b>								
C675.2	Salaries-Charge Out	0	(600)	(600)	0	(600)	(600)	(1,800)
C673	Maintenance Hours	4,849	6,607	1,758	13,338	37,652	24,314	76,077
C676	Golf Hours	0	0	0	0	3,064	3,064	4,598
C677	R & G Hours	0	785	785	263	7,330	7,068	13,393
C678	Custodial Hours	7,367	11,368	4,001	47,048	68,208	21,160	136,419
	<b>CHARGE-OUT SUBTOTALS</b>	<b>12,216</b>	<b>18,160</b>	<b>5,944</b>	<b>60,649</b>	<b>115,654</b>	<b>55,006</b>	<b>228,687</b>
C621.1	Mileage Reimbursement	0	8	8	0	48	48	96
C627	Pool Care & Supplies	847	1,089	242	6,056	9,579	3,523	19,138
C639	Software & IT	428	340	(88)	3,945	2,040	(1,905)	4,080
C640	Electric	6,667	6,417	(250)	42,958	44,269	1,311	85,551
C643	Gas	1,301	1,279	(22)	9,730	9,085	(645)	17,617
C662	Office Supplies & Postage	739	750	11	2,714	4,260	1,546	8,520
C662.1	CC & ActiveNet	1,244	1,080	(164)	2,655	4,560	1,905	8,520
C671	Outside Contractors	3,912	1,578	(2,334)	8,514	9,341	827	19,980
C683	Repairs - Equipment	484	734	250	3,011	4,611	1,600	9,015
C684	Supplies	1,029	1,506	477	5,410	15,211	9,801	22,875
C684.1	Custodial Supplies	1,557	2,000	443	8,744	12,000	3,256	24,000
C684.2	Coffee Supplies	33	563	530	734	3,378	2,644	6,750
C686.1	Special Event Supplies	1,078	230	(848)	2,488	5,360	2,872	9,063
C686.2	Special Event Contractors	75	625	550	220	3,450	3,230	7,225
C687	Trips Expense	1,383	1,150	(233)	1,383	6,900	5,517	13,800
C688	Non Capital Equipment	0	3,125	3,125	1,600	7,820	6,220	8,870
C689	Phone & Internet	383	370	(13)	2,013	2,220	207	4,440
C698	Water & Sewer	1,542	2,524	982	7,550	10,400	2,850	23,798
	<b>TOTAL OPERATING EXPENSES</b>	<b>34,918</b>	<b>43,528</b>	<b>8,610</b>	<b>170,374</b>	<b>270,186</b>	<b>99,813</b>	<b>522,025</b>
	<b>NET REVENUE &amp; EXPENSE</b>	<b>(43,536)</b>	<b>(51,314)</b>	<b>7,778</b>	<b>(260,578)</b>	<b>(350,921)</b>	<b>90,344</b>	<b>(693,289)</b>

**Heather Gardens Metropolitan District  
Golf P&L  
06/30/2021**

7/9/2021  
10:37 AM

		CURR MONTH ACTUAL	CURR MONTH BUDGET	CURR MONTH VARIANCE	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL BUDGET
<b>REVENUE</b>								
D507	Golf Fees Daily	38,643	50,897	(12,254)	108,153	144,568	(36,415)	332,695
D507.1	Golf Simulator	10	240	(230)	1,185	1,840	(655)	3,720
D509.2	Golf Disc - 40 Play	4,411	2,664	1,747	14,308	8,604	5,704	17,064
D511	Golf Cart Rental Income	11,407	10,625	782	25,415	32,895	(7,481)	69,105
D511.1	Golf Merchandise	2,683	2,741	(58)	9,227	13,046	(3,819)	30,955
D511.2	Golf Lesson	1,630	700	930	4,535	1,945	2,590	4,090
D511.3	Golf Bag Storage	0	0	0	200	0	200	6,525
D511.4	Golf Pull Cart	552	674	(122)	1,470	2,294	(824)	5,064
<b>TOTAL REVENUE</b>		<b>59,336</b>	<b>68,541</b>	<b>(9,205)</b>	<b>164,493</b>	<b>205,192</b>	<b>(40,700) 0</b>	<b>469,218</b>
<b>WAGES/BENEFITS</b>								
G500	Salaries - FTP	26,881	24,047	(2,834)	151,979	143,153	(8,826)	287,846
G510	Salaries - Part Time	12,799	10,889	(1,910)	36,432	38,038	1,606	75,819
G520	Salaries - Overtime	262	600	338	2,082	2,300	218	4,200
G540	Taxes - Payroll	3,099	2,843	(256)	16,838	16,471	(367)	31,086
G545	Temporary Outside Labor	0	0	0	0	700	700	1,400
G550	Retirement Expense	1,000	946	(54)	6,121	5,676	(445)	11,349
G553	Insurance - Personnel	2,494	2,740	246	15,149	16,440	1,291	34,524
G574	Recruit / Train / Service	48	370	322	353	5,358	5,005	5,778
G575	Employee Incentive	0	0	0	0	250	250	1,000
G588	Workers Comp Insurance	265	265	0	1,880	1,590	(290)	3,760
<b>TOTAL WAGES/BENEFITS</b>		<b>46,848</b>	<b>42,700</b>	<b>(4,148)</b>	<b>230,834</b>	<b>229,976</b>	<b>(858) 0</b>	<b>456,762</b>
<b>OPERATING EXPENSES</b>								
G675.2	Salaries-Charged Out	0	0	0	(1,033)	(3,064)	(2,031)	(4,598)
G450	COGS - Merchandise	280	1,425	1,145	3,545	6,785	3,240	16,106
G621	Fuel Expense	385	737	352	2,528	2,708	180	6,189
G621.1	Mileage Reimbursement	0	20	20	21	80	59	160
G624	Contingency-Water	0	0	0	0	0	0	10,000
G635	Tree & Shrub Replacement	0	350	350	0	700	700	700
G639	Software & IT	340	250	(90)	1,431	1,500	69	3,000
G640	Electric	1,014	912	(102)	4,191	3,707	(484)	7,738
G640.1	Electric - Pump	5,972	4,144	(1,828)	14,844	17,330	2,486	34,545
G643	Gas	31	23	(8)	669	509	(160)	899
G645	Uniforms	0	60	60	276	1,635	1,359	1,995
G662	Office Supplies & Postage	0	0	0	0	0	0	50
G662.1	Credit Card Expense	2,153	2,262	109	5,920	6,772	852	15,484
G665	Rent - Equipment	0	0	0	708	400	(308)	1,400
G670	Asphalt Repairs	0	0	0	0	0	0	4,800
G671	Outside Contractors	1,801	770	(1,031)	11,292	14,320	3,028	18,877
G676.1	Golf Shop Supplies	1,388	155	(1,233)	1,781	930	(851)	1,864
G680	Radio Communications	595	0	(595)	595	0	(595)	200
G683	Repairs - Equipment	478	1,167	689	6,236	7,002	766	14,000
G684	Supplies	1,192	5,180	3,988	18,010	25,636	7,626	40,896
G688	Non Capital Equipment	0	0	0	2,132	0	(2,132)	0
G689	Telephone	292	300	8	1,551	1,800	249	3,600
G697	Marketing	0	750	750	0	4,500	4,500	6,000
<b>TOTAL OPERATING EXPENSES</b>		<b>15,921</b>	<b>18,505</b>	<b>2,584</b>	<b>74,697</b>	<b>93,250</b>	<b>18,553 0</b>	<b>183,905</b>
<b>NET REVENUE &amp; EXPENSE</b>		<b>(3,433)</b>	<b>7,336</b>	<b>(10,769)</b>	<b>(141,038)</b>	<b>(118,034)</b>	<b>(23,005) 0</b>	<b>(171,449)</b>

**JUNE 2021**

**HGMD Golf Usage Report**

Revenue	Current Year					Prior Year				
	Rate	MTD Tally	MTD Revenue	YTD Tally	YTD Revenue	Rate	MTD Tally	MTD Revenue	YTD Tally	YTD Revenue
<b>Daily Rates</b>										
85+	\$ 9.00	68	\$ 612	186	\$ 1,674	\$ 8.00	70	\$ 560	134	\$ 1,072
Resident	\$ 8.00		\$ -	737	\$ 5,896	\$ 9.00	866	\$ 7,794	2,038	\$ 18,342
Resident Everyday	\$ 10.00	703	\$ 7,030	1,885	\$ 18,850					
Guest of Resident- weekday	\$ 13.04	103	\$ 1,343	320	\$ 4,207	\$ 12.00	59	\$ 708	148	\$ 1,842
Guest of Resident- weekend	\$ 17.00	65	\$ 1,105	261	\$ 4,437	\$ 15.00	83	\$ 1,245	233	\$ 3,495
Non-Resident Sr. - Weekday	\$ 14.02	514	\$ 7,204	989	\$ 13,854	\$ 12.00	748	\$ 8,976	1,624	\$ 19,943
Non-Resident Sr. - Weekend	\$ 18.00	220	\$ 3,960	732	\$ 13,176	\$ 15.00	321	\$ 4,815	693	\$ 10,398
Non-Resident - Weekday	\$ 17.07	213	\$ 3,635	511	\$ 8,689	\$ 15.00	482	\$ 7,230	1,136	\$ 16,590
Non-Resident - Weekend	\$ 22.00	206	\$ 4,532	592	\$ 13,058	\$ 18.00	390	\$ 7,020	844	\$ 15,171
Junior- weekday	\$ 9.00	31	\$ 279	109	\$ 981	\$ 8.00	25	\$ 200	70	\$ 562
Junior- weekend	\$ 12.00	12	\$ 144	44	\$ 528	\$ 10.00	25	\$ 250	39	\$ 390
Twilight	\$ 12.00	134	\$ 1,608	157	\$ 1,884	\$ 10.00	48	\$ 480	49	\$ 490
2 for 20 Special	\$ -	0	\$ -	9	\$ 99	\$ 10.00	358	\$ 3,580	888	\$ 8,879
2 for 22 Special	\$ 11.00	222	\$ 2,442	656	\$ 7,216					
2 for 1	\$ 18.00	0	\$ -	0	\$ -	\$ 18.00	0	\$ -	0	\$ -
2 for 1 (free player)	\$ -	0	\$ -	0	\$ -	\$ -	0	\$ -	0	\$ -
League - Weekend	\$ 18.00	40	\$ 720	143	\$ 2,574					
League - Weekday	\$ 14.00	216	\$ 3,024	1,144	\$ 16,016	\$ 12.00	342	\$ 4,104	595	\$ 7,139
40 Play Punches	\$ 8.28	536	\$ 4,436	1,707	\$ 13,899	\$ -	355	\$ -	835	\$ -
Complimentary Round-Employee	\$ -	0	\$ -	0	\$ -	\$ -	15	\$ -	35	\$ -
Complimentary Round	\$ -	0	\$ -	0	\$ -	\$ -	0	\$ -	1	\$ -
Adjustment to Income	\$ -	0	\$ 992	0	\$ (4,765)	\$ -	0	\$ -	0	\$ -
<b>Golf Daily Fee</b>		3,283	\$ 43,066	10,182	\$ 122,273		4,187	\$ 46,962	9,362	\$ 104,313

Other Golf Revenue										
40 Play Card							\$ 2,835		\$ 6,739	
Rider Carts	\$ 8.61	1,325	\$ 11,407	2,961	\$ 25,416	\$8.50/\$7.50	828	\$ 7,134	1,527	\$ 12,863
Pull Cart	\$ 6.00	90	\$ 540	243	\$ 1,458	\$ -	0	\$ -	0	\$ -
Golf Simulator	\$ 10.00	1	\$ 10	61	\$ 1,185	\$ 10.00	0	\$ -	83	\$ 830
Golf Merchandise D511.1			\$ 2,683		\$ 9,226			\$ 2,554		\$ 9,377
Golf Lessons		15	\$ 1,630	44	\$ 4,535			\$ 885		\$ 2,010
Golf Bag Storage			\$ -	4	\$ 400			\$ -		\$ -
Golf Club/ Pull Cart Rentals								\$ 960		\$ 1,755

<b>Total Revenue</b>		\$ 59,336		\$ 164,493		\$ 61,330		\$ 137,887
<b>Golf Course Expenses</b>		\$ 62,769		\$ 305,531		\$ 66,251		\$ 303,674
<b>Profit/(Loss)</b>		\$ (3,433)		\$ (141,038)		\$ (4,921)		\$ (165,787)

<b># of Days Golf Course Closed</b>	0	59	0	83
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**Heather Gardens Metropolitan District  
Restaurant P&L  
06/30/2021**

7/9/2021  
10:39 AM

	<b>CURR MONTH ACTUAL</b>	<b>CURR MONTH BUDGET</b>	<b>CURR MONTH VARIANCE</b>	<b>YTD ACTUAL</b>	<b>YTD BUDGET</b>	<b>YTD VARIANCE</b>	<b>ANNUAL BUDGET</b>		
<b>SUMMARY</b>									
Sales	38,093	53,888	(15,795)	164,121	324,436	(160,315)	658,492		
Cost of Goods Sold	11,197	17,331	6,134	53,356	104,341	50,985	211,773		
<b>Gross Profit</b>	<b>26,896</b>	<b>36,557</b>	<b>(9,661)</b>	<b>110,765</b>	<b>220,095</b>	<b>(109,330)</b>	<b>446,719</b>		
Wages & Benefits	29,322	29,455	133	126,761	177,921	51,161	360,832		
Operating Expense	9,159	12,008	2,849	44,905	76,208	31,305	152,291		
<b>Net Income/(Loss)</b>	<b>(11,585)</b>	<b>(4,906)</b>	<b>(6,679)</b>	<b>(60,901)</b>	<b>(34,034)</b>	<b>(26,867)</b>	<b>(66,404)</b>		
<b>SALES</b>									
D506 Restaurant Food	30,249	45,625	(15,376)	136,821	274,691	(137,870)	557,534		
D506.1 Restaurant Beer	2,755	2,673	82	9,189	16,092	(6,903)	32,658		
D506.2 Restaurant Wine	2,360	2,917	(557)	9,388	17,561	(8,173)	35,642		
D506.3 Restaurant Liquor	2,729	2,673	56	8,723	16,092	(7,369)	32,658		
<b>TOTAL SALES</b>	<b>38,093</b>	<b>53,888</b>	<b>(15,795)</b>	<b>164,121</b>	<b>324,436</b>	<b>(160,315)</b>	<b>658,492</b>		
<b>COST OF GOODS SOLD</b>									
H450 COGS - Food	9,806	15,513	5,707	47,299	93,396	46,097	189,562	COGS Percentages	
H455 COGS - Beer	882	588	(294)	2,675	3,540	865	7,185	Current	YTD
H455.1 COGS - Wine	252	642	390	2,057	3,865	1,808	7,841	32.4%	34.6%
H455.2 COGS - Liquor	257	588	331	1,325	3,540	2,215	7,185	32.0%	29.1%
<b>TOTAL COST OF GOODS</b>	<b>11,197</b>	<b>17,331</b>	<b>6,134</b>	<b>53,356</b>	<b>104,341</b>	<b>50,985</b>	<b>211,773</b>	10.7%	21.9%
								9.4%	15.2%
<b>GROSS PROFIT</b>	<b>26,896</b>	<b>36,557</b>	<b>(9,661)</b>	<b>110,765</b>	<b>220,095</b>	<b>(109,330)</b>	<b>446,719</b>	<b>29.4%</b>	<b>32.5%</b>
	71%	68%		67%	68%				
<b>WAGES/BENEFITS</b>									
H500 Salaries - Full Time	15,981	11,715	(4,266)	74,590	70,290	(4,300)	142,069		
H510 Salaries - Part Time	8,837	13,472	4,635	31,007	81,109	50,102	164,623		
H520 Salaries - Overtime	0	378	378	0	1,448	1,448	4,151		
H540 Taxes - Payroll	2,462	2,173	(289)	12,061	14,772	2,711	27,544		
H550 Retirement Expense	442	227	(215)	2,652	1,362	(1,290)	2,729		
H553 Insurance Emp Health	601	1,096	495	3,727	6,576	2,850	13,810		
H574 Recruiting/Training	740	135	(605)	785	810	25	1,720		
H575 Employee Incentive	0	0	0	100	0	(100)	0		
H588 Workers Com Insurance	259	259	0	1,839	1,554	(285)	4,186		
<b>TOTAL WAGES/BENEFITS</b>	<b>29,322</b>	<b>29,455</b>	<b>133</b>	<b>126,761</b>	<b>177,921</b>	<b>51,161</b>	<b>360,832</b>		
<b>OPERATING EXPENSES</b>									
H673 Maintenance Hours	613	1,203	590	1,485	4,712	3,227	10,234		
H674 Custodial Hours	175	630	455	1,774	3,780	2,006	7,560		
<b>CHARGE-OUTS SUBTOTAL</b>	<b>788</b>	<b>1,833</b>	<b>1,045</b>	<b>3,259</b>	<b>8,492</b>	<b>5,233</b>	<b>17,794</b>		
H639 Software & IT	1,174	300	(874)	2,109	1,800	(309)	3,600		
H640 Electric	1,667	1,769	102	10,749	10,679	(70)	22,167		
H643 Gas	325	320	(5)	2,956	2,272	(684)	4,404		
H644 Water	146	256	110	820	1,024	204	2,367		
H645 Phone & TV	310	300	(10)	1,538	1,800	262	3,600		
H646 Trash Removal	400	425	25	2,402	2,550	148	5,100		
H651 Uniforms	258	80	(178)	258	480	222	960		
H652 Discounts & Comps	555	539	(16)	2,909	3,245	336	6,585		
H655 Linen Service	0	392	392	0	2,352	2,352	4,704		
H662 Office Supplies	12	55	43	(47)	330	377	660		
H671 Outside Contractors	20	695	675	1,765	3,366	1,601	6,730		
H681 Credit Card Fees	1,671	1,617	(54)	6,739	9,734	2,996	19,755		
H683 Repairs - Equipment	1	410	409	26	2,450	2,424	4,910		
H684 China/Glass/Flatware	692	250	(442)	811	1,500	690	3,000		
H684.1 Kitchen Supplies	833	1,617	784	5,546	9,734	4,188	19,755		
H685 Cleaning Supplies	307	1,050	743	1,289	6,300	5,011	12,600		
H688 Non Capital Equipment	0	0	0	0	3,000	3,000	3,000		
H689 Marketing	0	0	0	410	3,000	2,590	6,000		
H690 Licenses	0	100	100	1,366	2,100	734	4,600		
<b>TOTAL OPERATING EXPENSES</b>	<b>9,159</b>	<b>12,008</b>	<b>2,849</b>	<b>44,905</b>	<b>76,208</b>	<b>31,305</b>	<b>152,291</b>		
<b>NET REVENUE &amp; EXPENSE</b>	<b>(11,585)</b>	<b>(4,906)</b>	<b>(6,679)</b>	<b>(60,901)</b>	<b>(34,034)</b>	<b>(26,864)</b>	<b>(66,404)</b>		

**Heather Gardens Metropolitan District  
Board Action  
Date: July 22, 2021**

**Motion: Consider approval of the revisions to the Heather Gardens Property Policy Procedure Memorandum and the RV Lot Agreement**

I move that the Heather Gardens Metropolitan District Board of Directors approve the revisions to the Heather Gardens Property Policy Procedure Memorandum and the RV Lot Agreement (attached).

Motion by: David Funk Seconded by: \_\_\_\_\_

Outcome of vote:

For: \_\_\_\_\_ Against: \_\_\_\_\_ Absent/Abstaining: \_\_\_\_\_

\_\_\_ The motion has a majority and is adopted.

\_\_\_ The motion does not have a majority and is not adopted.

\_\_\_\_\_  
David Funk, President  
HGMD Board of Directors



**HEATHER GARDENS PROPERTY POLICY**

**PROCEDURE MEMORANDUM**

*Adopted and Effective August 29, 2019*

*Revised June 17, 2021*

## PROPERTY POLICY COMMITTEE

Date Adopted:	August 29, 2019, Effective August 29, 2019, Updated January 16, 2020, Revised June 17, 2021
Document Type:	Procedure Memoranda, PP-1
Attachment (s):	Fee Schedule Schematic of Garden Plot Garden Plot Rental Agreement Garden Plot Fact Sheet Schematic of RV Lot RV Lot Space Rental Agreement RV Lot Fact Sheet

*This Procedure Memorandum shall supersede all previous versions of the Procedure Memorandum and Functions and Policy Manuals for the Property Policy Committee, as well as all previous resolutions, actions and informal practices and policies of the District or portions thereof which may be in conflict with the provisions hereof.*

### ARTICLE I – BACKGROUND & PURPOSE

The Property Policy Committee is a standing committee authorized by the Board of Directors (Board) of the Heather Gardens Metropolitan District (District).

The purpose of the Property Policy Committee is to serve in an advisory role and make recommendations to the Board regarding policies and operations related to District owned property including, but not limited to, the Garden Plots, RV Lot, Linvale Place, and Maintenance Building location, but excluding District owned property that falls within the purview of another committee of the District, including, but not limited to, the Restaurant, Clubhouse, and Golf Course (District Properties).

The Property Policy Committee recognizes that the District and the Heather Gardens Association (HGA) entered into a Management Agreement dated August 23, 2018, as may be amended from time to time (Management Agreement), which authorizes HGA to operate and provide daily management of the District Properties.

All capitalized terms not herein defined shall be defined as presented in the District's Bylaws or Rules and Regulations.

### ARTICLE II - COMPOSITION

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The Property Policy Committee shall be composed of the chairperson (Board member appointed to the Property Policy Committee by the President of the Board), the District's Agent (without vote), and a minimum of (4) four and a maximum of (7) seven eligible electors of the District.

### ARTICLE III – POLICIES AND PROCEDURES

**Section 1. Committee Chairperson.** The chairperson chairs all meetings of the Property Policy Committee and appoints all Property Policy Committee members from eligible electors of the District that have applied therefor. The chairperson also counsels with Residents and interested parties regarding the District Properties. The chairperson reports to the Board.

**Section 2. Committee Duties and Responsibilities.**

- A. Receives and evaluates requests for consideration from individual committee members, the District Board, and/or members of the public related to District Properties. Evaluation consists of determining if funding is available and if the requests will be for the benefit of the District.
- B. Reviews the District Agent's proposed annual budget for the District Properties and makes recommendations to the Board prior to its inclusion in the annual budget.
- C. Submits all Property Policy Committee recommendations to the Board for their consideration.
- D. Annually reviews rules and regulations applicable to the District Properties and recommends changes thereto, as needed, to the Board.

### ARTICLE IV – RULES AND REGULATIONS

*Article VI of the District's General Rules and Regulations regarding Enforcement, Violations, and Penalties is applicable to non-compliance with these Property Policy Rules and Regulations. In addition, the District's General Rules and Regulations are applicable to all Residents, Owners and Users of District Facilities and these Property Policy Rules and Regulations are supplemental thereto. Finally, the District's Clubhouse/Restaurant Rules and Regulations and Golf Course Rules and Regulations are applicable to use of certain District Facilities and these Property Policy Rules and Regulations are supplemental thereto.*

**Section 4.1 GARDEN PLOTS.**

- 
- A. Leasing of Plot(s).** Individual plots within the Garden Plot may be leased by the District on a first-come, first-served basis to any Person in accordance with the terms of a Garden Plot lease agreement, including, but not limited to, the payment of an annual lease fee as set forth in the Schedule of Fees and Charges. Assignment of individual plots is subject to the discretion of the District. Once all individual plots have been leased the District will maintain a waitlist for leasing individual plots. The District will also maintain a waitlist for Persons wishing to transfer individual plot locations. When an individual plot becomes available preference will be first given to Persons on the plot transfer waitlist and then to Persons on the plot lease waitlist.
- B. Maintenance of Garden Plots.** The District will maintain the main water spigot and the water supply lines to the main water spigot. Lessees are responsible for repairing and maintaining the water lines from the main water spigot to their individual plots, plot dividers, and any items planted or located within the individual plots. Lessees are responsible for placing trash, weeds, and cuttings into the appropriate disposal containers located on site and for maintaining their individual plots in a neat, orderly, and aesthetically pleasing manner.
- C. Use of Manufactured Apparatuses/Chemicals.** All activity using manufactured apparatus or chemicals for fertilizing, weed, bug and pest control, must be accomplished in strict accordance with the manufacturer's recommendations and all applicable Federal, State, and local regulations and must be contained within lessee's individual garden plot.
- D. Watering Restrictions.** The Garden Plots are subject to all applicable watering restrictions and lessees are responsible for monitoring and following all such restrictions. The District will endeavor to post any watering restrictions that are in effect at the garden kiosk.
- E. Sheds.** Sheds may be located within the individual garden plots, provided they meet the following standards:
1. Sheds must be erected within the perimeters of the lessee's individual garden plot.
  2. Sheds must be no larger than 3' x 4' x 7'.
  3. Sheds must be constructed of non-metal material such as wood, vinyl, or durable plastic.
  4. Wood sheds must be painted.

5. All sheds must be maintained in good condition.

**F. Prohibited Activities.**

1. Lessees are prohibited from attaching or hanging tools, artwork, or any other items on the fence surrounding the Garden Plots.
2. Lessees are prohibited from placing any plants, garden supplies, sheds, trash, or other items within the 3-foot walkway along the State Highway Department fence.
3. Pets, other than service animals, are prohibited from the Garden Plots.
4. Plants that produce a Schedule 1, hallucinogenic or psychedelic substance are prohibited and will be removed by the District at the cost of the Lessee.
5. Headphones must be used when lessees are listening to music or other audio.

**G. Garden Plots Gate.** The gate to the Garden Plots must remain locked at all times when it is not being actively used for ingress or egress to the Garden Plots.

**Section 4.2 RV LOT.**

**A. Leasing of Space(s).** Individual spaces within the RV Lot may be leased by the District on a first-come, first-served basis to any person in accordance with the terms of an RV storage agreement, including, but not limited to, the payment of an annual lease fee as set forth in the Schedule of Fees and Charges. Assignment of individual spaces is subject to the discretion of the District. Once all individual spaces have been leased the District will maintain a waitlist for leasing individual spaces. The District will also maintain a waitlist for persons wishing to transfer individual space locations. When an individual space becomes available preference will be first given to persons on the space transfer waitlist and then to persons on the space lease waitlist. Once a person is offered an appropriate size space in the RV Lot for the vehicle, a lease must be executed within three (3) business days or the person will be placed at the end of the respective waitlist.

**B. Maintenance of Vehicles.** Lessees are responsible for all repairs and maintenance to the vehicles parked in the RV Lot and shall keep such vehicles in a working and serviceable condition (e.g., drivable, towable with no flat tires and appropriately licensed) and the area within the individual space in a neat, orderly, and aesthetically pleasing manner free from debris and trash.

**C. RV Lot Dump Station.**

1. Lessee's may only use the dump station for the vehicle that is the subject of the RV storage agreement.
2. Lessees must use a discharge hose to dump the contents of the RV holding tanks.
3. The dump station may only be used to dump the contents of the RV holding tanks, i.e. wash water, known as "gray" water, and toilet water, known as "black" water. The discharge of any other materials is strictly prohibited.
4. The Water faucets are only for use filling an RV's fresh water tank and may not be used to flush holding tanks or rinse discharge hoses.
5. Use of the dump station to wash vehicles is prohibited.

**D. Prohibited Activities.**

1. Lessees are prohibited from parking any vehicle that is not allowed under a current and valid RV storage agreement in the RV Lot.
2. Lessees are prohibited from storing any items, other than authorized vehicles and the items therein, within the RV Lot.
3. Lessees are prohibited from storing any flammable liquids, explosives, contraband, illegal substances, other than those included as an integral part of a factory built-in component of the vehicle, within the RV Lot.
4. Lessee is prohibited from storing any items within the RV Lot which might cause damage to property, present danger to Persons, or create offensive appearances or noxious odors.
5. Lessee is prohibited from subleasing the leased space.

**E. RV Lot Gate.** The gate to the RV Lot must remain closed at all times when it is not being actively used for ingress or egress to the RV Lot.



# ATTACHMENT 1

## PROPERTY POLICY FEE SCHEDULE

HEATHER GARDENS GARDEN PLOT FEES	
Room	Fee
<b><u>Annual Lease</u></b> <i>(includes 1 Garden plot and 1 key)</i>	
Resident or Owner	\$35.00
Non-Resident and Non-Owner User	\$150.00
<b><u>Additional Key</u></b>	
Resident or Owner	\$5.00
Non-Resident and Non-Owner User	\$5.00
HEATHER GARDENS RV LOT SPACE RENTAL FEES	
Room	Fee
<b><u>Under 25 feet</u></b>	
Resident or Owner	\$90.00/quarter
Non-Resident and Non-Owner User	\$300.00/quarter
<b><u>25 feet to 35 feet</u></b>	
Resident or Owner	\$100.00/quarter
Non-Resident and Non-Owner User	\$330.00/quarter
<b><u>35 feet to 38 feet (maximum allowable length)</u></b>	
Resident or Owner	\$110.00/quarter
Non-Resident and Non-Owner User	\$340.00/quarter
<b><u>Late Payment Fee</u></b>	
Resident or Owner	20% of rent
Non-Resident and Non-Owner User	20% of rent

**ATTACHMENT 2  
SCHEMATIC OF GARDEN PLOTS**



**ATTACHMENT 3  
GARDEN PLOT RENTAL AGREEMENT**

EFFECTIVE DATE: \_\_\_\_\_

LEASE PERIOD FROM: \_\_\_\_\_ TO: \_\_\_\_\_

PLOT #: \_\_\_\_\_

LESSEE NAME: \_\_\_\_\_

LESSEE'S PHONE #: \_\_\_\_\_

LESSEE'S ADDRESS: \_\_\_\_\_

This Garden Plot Rental Agreement (Agreement) is made and entered into the effective date first written above (Effective Date) by and between Heather Gardens Metropolitan District (HGMD), a quasi-municipal corporation and political subdivision of the State of Colorado, and the above-named lessee (Lessee). In consideration of the mutual covenants and stipulations contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. In consideration of the annual rental charge of \_\_\_\_\_ (Rent) which is due and payable by the Lessee to the HGMD on the Effective Date (in a prorated amount for the first year if the Agreement is entered into after January 1) and on January 1 of each subsequent year this Agreement remains in effect (at the then current rate), the HGMD hereby grant the Lessee a revocable lease of the plot described above by plot # (Plot) which is generally located at the southwestern corner of Heather Gardens immediately adjacent to East Marina Drive to be used solely for the purpose of gardening, on the terms and conditions set forth below.
2. Rent is due and payable on January 1 of each year that this Agreement remains in effect. If payment is not received by May 1 of any renewal year, this Agreement will be automatically canceled, and the Plot reassigned. Checks for the payment of Rent are to be made payable to "Heather Gardens Metropolitan District" and delivered to Accounts Receivable, 2888 S. Heather Gardens Way, Aurora, CO 80014.
3. Lessee hereby acknowledges receipt of \_\_\_\_\_ gate key(s). This Agreement and payment of Rent entitles the Lessee to one key. Lessee may purchase additional or replacements keys a charge of \$5.00 per additional key.

4. This Agreement shall automatically renew on January 1 of each calendar year at the then current rental rate unless the Lessee notifies HGMD in writing at least thirty (30) days prior to December 31 of its intent to terminate this Agreement.
5. HGMD may terminate this Agreement at any time by providing the Lessee with notice at least thirty (30) days prior to the effective date of the termination and, provided the Lessee is not in default of the terms of this Agreement, refunding the pro rata amount of Rent for the remainder of the year. If the Lessee is in default of the terms of this Agreement HGMD may terminate this Agreement at any time after notice of a violation has been provided in accordance with the HGMD Rules and Regulations and the Lessee has been afforded an opportunity to cure or appeal the violation in accordance with the HGMD Rules and Regulations.
6. Lessee agrees to abide by the HGMD Property Policy Procedure Memorandum, HGMD Rules and Regulations, and all local, state and federal rules, regulations, and laws applicable to the Plot and use thereof, including, but not limited to the City of Aurora's watering restrictions, all of which may be amended from time to time.
7. Lessee agrees to place trash, weeds and cuttings in the containers provided by HGMD and to maintain his/her plot in a neat and orderly way.
8. Lessee agrees not to attach or hang tools, artwork, or other articles on the fence surrounding the lot.
9. HGMD or its agents reserve the right to enter the Plot to inspect the Plot and to notify Lessee of any deficiencies in the care of the Plot and surrounding areas.
10. HGMD will maintain the main water spigot and the water supply lines to the main water spigot. Lessee is responsible for repairing and maintaining the water lines from the main water spigot to their individual plots, plot dividers, and any items planted or located within the individual plots.
11. Lessee hereby agrees on behalf of itself and its successors and assigns, to waive and release all liability and to forever defend, indemnify, and hold harmless, HGMD, the HGMD's employees, consultants, licensees, invitees, agents, successors, and assigns from any and all injuries, loss, claims, liability, damages, and costs, including, without limiting the generality of the foregoing, court costs and attorney's fees, caused by, resulting from, or in any way arising out of, or alleged to arise out of, in whole or in part, the use of the Plot and HGMD Garden Plot by the Lessee, its licensees, invitees, agents, contractors, subcontractors, employees, successor, and/or assigns.

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Signatures below indicate approval and acceptance of the above-mentioned terms and conditions:

HGMD

LESSEE

\_\_\_\_\_  
By: \_\_\_\_\_

\_\_\_\_\_

DRAFT

## ATTACHMENT 4 GARDEN PLOT FACT SHEET

Number of Spaces: 72

Rental Rates - Annually: Resident or Owner - \$35  
Non-Resident and Non-Owner - \$150

Rental Payment: Due on January 1. Make check payable to:  
Heather Gardens Metropolitan District  
Attention: Accounts Receivable  
2888 S. Heather Gardens Way  
Aurora, CO 80014

If rental payment is not received by May 1 of any renewal year, the lease shall automatically terminate and the space reassigned.

Access: By key. One key will be provided with the rental payment. A second key or a replacement key will be provided for a \$5 payment.

Administration: The Heather Gardens Association Resident Services Coordinator will be responsible for lease preparation.

Waitlist: A waitlist will be maintained by the District.

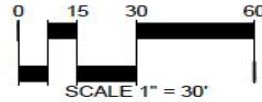
[EY1]

# ATTACHMENT 5 SCHEMATIC OF RV LOT

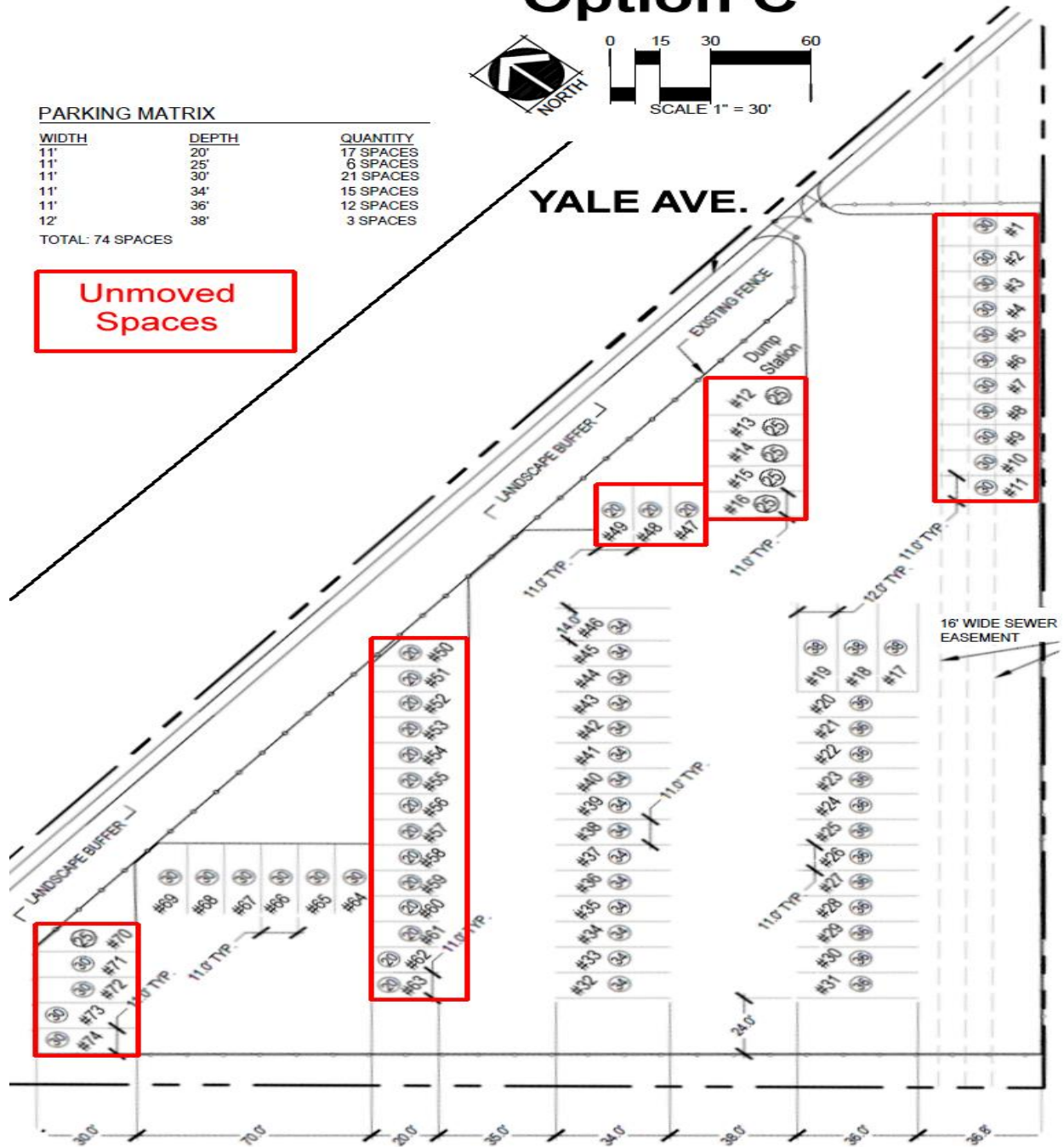
## Option C

**PARKING MATRIX**

WIDTH	DEPTH	QUANTITY
11'	20'	17 SPACES
11'	25'	6 SPACES
11'	30'	21 SPACES
11'	34'	15 SPACES
11'	36'	12 SPACES
12'	38'	3 SPACES
<b>TOTAL: 74 SPACES</b>		



Unmoved  
Spaces



**ATTACHMENT 6  
RV LOT SPACE RENTAL AGREEMENT**

DATE: \_\_\_\_\_

LEASE PERIOD FROM: \_\_\_\_\_ TO: \_\_\_\_\_

SPACE #: \_\_\_\_\_

LESSEE: \_\_\_\_\_

LESSEE'S PHONE #: \_\_\_\_\_

LESSEE'S ADDRESS: \_\_\_\_\_

EMERGENCY CONTACT, OTHER THAN ABOVE:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

VEHICLE 1:

MAKE \_\_\_\_\_ TYPE \_\_\_\_\_ COLOR \_\_\_\_\_ LENGTH \_\_\_\_\_ YEAR \_\_\_\_\_ LICENSE# \_\_\_\_\_

VEHICLE 2:

MAKE \_\_\_\_\_ TYPE \_\_\_\_\_ COLOR \_\_\_\_\_ LENGTH \_\_\_\_\_ YEAR \_\_\_\_\_ LICENSE# \_\_\_\_\_

INSURANCE: \_\_\_\_\_

Pursuant to Section 38-21.5-101.5, C.R.S., please disclose any lienholders with an interest in property that is or will be stored in the RV Lot: \_\_\_\_\_

This RV Lot Space Rental Agreement (Agreement) is made and entered into the effective date first written above (Effective Date) by and between Heather Gardens Metropolitan District (HGMD), a quasi-municipal corporation and political subdivision of the State of Colorado, and the above-named lessee (Lessee). In consideration of the mutual covenants and stipulations contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. In consideration of the annual rental charge of \_\_\_\_\_ (Rent) which is due and payable by the Lessee to the HGMD on the Effective Date and on January 1 of each subsequent year this Agreement remains in effect (at the then current rate), the HGMD hereby grant the Lessee a revocable lease of the space described above by space # (Space) which is generally located at the far eastern corner of the Heather Gardens



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community, immediately south of Yale Street to be used solely for the purpose storage of the vehicle(s) described in this agreement . Notwithstanding the foregoing, the Rent may be paid quarterly in the amount of \_\_\_\_\_ by the Lessee in advance of each calendar quarter on January 1, April 1, July 1, and October 1. If the terms of this Agreement commence in the middle of a payment period, the first rental installment shall be prorated through the end of December for an annual term or through the end of the calendar quarter for the quarterly term, and thereafter, rental payment shall be due on the dates set forth in this paragraph.

2. Rent is due and payable on January 1 of each year (which may be paid quarterly as provided above) that this Agreement remains in effect. If the Rent payment is not received by the due date, a late charge of 20% of the applicable Rent will be assessed. It is understood by Lessee that pursuant to Section 38-21.5-101.5, C.R.S. if no payment has been received for a continuous thirty-day period all articles stored under the terms of such agreement will be sold or otherwise disposed by HGMD. Lessee hereby agrees that failure to timely pay Rent and any late fees constitutes a breach of this Agreement and shall be a basis for immediate termination of this Agreement by HGMD.
3. Checks for the payment of Rent and gate opener deposits are to be made payable to "Heather Gardens Metropolitan District – RV Lot" and delivered to Accounts Receivable, 2888 S. Heather Gardens Way, Aurora, CO 80014.
4. Lessee hereby acknowledges receipt of \_\_\_\_\_ Automatic Gate Opener(s) for purposes of gaining entry to the RV facility. There is a \$35.00 deposit per gate opener charge, which is refundable when the gate opener is returned, in operating condition, upon termination of this Agreement.
5. This Agreement shall automatically renew on January 1 of each calendar year at the then current rental rate unless the Lessee notifies HGMD in writing at least thirty (30) days prior to December 31 of its intent to terminate this Agreement.
6. Either party may terminate this Agreement by providing the other party with a written notice of intent to terminate at least thirty (30) days prior to the last day of any calendar quarter in which this Agreement is in effect. If the Lessee is in default of the terms of this Agreement HGMD may terminate this Agreement at any time after notice of a violation has been provided in accordance with the HGMD Rules and Regulations and the Lessee has been afforded an opportunity to cure or appeal the violation in accordance with the HGMD Rules and Regulations. In the event of the termination of this Agreement at any time other than at the end of a quarterly period, the rent for that entire quarter shall still be due and payable, and the Lessee shall not be entitled to reimbursement for any prepaid rent for any portion of that quarter which is unused due to such termination.
7. If Lessee is a resident of or owner of property in HGMD and moves away from or sells their property in Heather Gardens, the Lessee and Lessor hereby agree that this Agreement shall remain in effect but shall be automatically amended such that Rent is converted to the then current rate applicable to non-residents and non-owners.

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8. HGMD may change the terms of this Agreement for any renewal term hereof by providing notice of the new terms to the Lessee in writing at least thirty (30) days prior to December 31.
  9. Lessee hereby agrees to keep any recreational vehicle stored in the Space insured and current on registration with the State of Colorado. The Lessee shall provide HGMD and its agent(s) with a current copy of Lessee's insurance policy, the insurance agent's name and contact number, and current proof of registration. If at any time a Lessee's vehicle registration and/or insurance expire Lessee shall be considered in default of this Agreement.
  10. For purposes of this Agreement, a "Recreational Vehicle" is defined as a motor vehicle or trailer which includes living quarters designed for accommodation, such as but not limited to, a bathroom, bedroom, and/or kitchen. Recreational Vehicles allowed to be parked in the RV Lot include: motorhomes, camper vans, caravans, fifth-wheel trailers, pop-up campers, camper trailers, and truck campers. In addition, boats on a trailer will be considered recreational vehicles. All items listed must fit into the designated spot. RVs stored in this lot may not exceed 38 feet in length. Measurements of RVs are determined in the following ways: class A, class B, and class C motorhomes including vans and truck-mounted campers' lengths are measured from the front bumper to rear bumper. Travel trailers are measured from the rear bumper to the ball socket on the hitch tongue. Fifth-wheel trailers are measured from the rear bumper to the center of the kingpin. No commercial vehicles may be parked in the RV storage area. Any exceptions shall be at the discretion of HGMD or its agent(s).
  11. The Lessee's recreational vehicle described in this agreement shall be the only recreational vehicle authorized to park in the Space; any passenger car, truck and/or van that may be left in place of the recreational vehicle (RV) while the RV is being used must be included in this agreement or may be subject to removal by HGMD or its agent(s). Any exceptions to this shall be at the discretion of HGMD or its agent(s). Lessee hereby agrees that parking an unauthorized vehicle in the Space or anywhere in the RV Lot may result in removal of the unauthorized vehicle, constitutes a breach of this Agreement, and shall be a basis for immediate termination of this Agreement by HGMD.
  12. The Lessee shall not have the right to sublease the Space.
  13. Lessee agrees to abide by the HGMD Property Policy Procedure Memorandum, HGMD Rules and Regulations, and all local, state and federal rules, regulations, and laws applicable to the Space and use thereof, all of which may be amended from time to time.
  14. Lessees are responsible for all repairs and maintenance to the vehicles parked in the RV Lot and shall keep such vehicles in a working and serviceable condition (e.g., drivable, towable with no flat tires and appropriately licensed) and the area within the individual space in a neat, orderly, and aesthetically pleasing manner free from debris and trash. No other storage, except within the vehicle(s), is allowed. However, other than built-in factory equipped containers that are an integral part of the RV, storage of flammable liquids,

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explosives, contraband, illegal substances, such as, but not by way of limitation, gasoline, gunpowder, ammunition, fireworks, stolen property, illicit drugs, etc. is prohibited. Lessee agrees not to store any items that might cause damage to the property, present danger to persons, or create offensive appearances or noxious odors.

15. HGMD or its agents reserve the right to enter the Space to inspect the Space and to notify Lessee of any deficiencies in the care or use of the Space and surrounding areas.
16. Storage of and access to the vehicle(s) shall be on a 24-hour basis, by means of a gate opener. Lessee agrees to keep his/her vehicle(s) locked at all times. Lessee understands that NO ATTENDANT WILL BE ON DUTY AT ANY TIME. Lessee hereby releases HGMD and its employees, consultants, licensees, invitees, agents, successors, and assigns for any responsibility for articles left in the vehicle(s), for loss or damage to the vehicle(s) caused by other Lessees, for loss or damage to the vehicle(s) caused by rain, hail, wind, freezing, acts of God, personal injuries or property damage during entry or exit, theft of the entire vehicle or any part thereof, fire explosion, riots, civil commotion, malicious mischief, vandalism or any other cause beyond the control of HGMD.
17. Lessee hereby acknowledges that entering into this Agreement establishes a lien on all personal property located in the Space in favor of HGMD in accordance with Section 38-21.5-102, C.R.S., which lien may be enforced in accordance with Section 38-21.5-103, C.R.S. and any other applicable laws.
18. Use of RV Dump Station:
  - a. Lessee may only use the dump station for the vehicle(s) that is the subject of this Agreement
  - b. Lessee must use a discharge hose to dump the contents of the RV holding tanks.
  - c. The dump station may only be used to dump the contents of the RV holding tanks, i.e. wash water, known as "gray" water, and toilet water, known as "black" water. The discharge of any other materials is strictly prohibited.
  - d. Accidental spillage of holding tank contents outside of the curbed containment area must be immediately reported to Security at (303) 750-9477.
  - e. There are separate water faucets with hoses labeled potable (meaning suitable for drinking) and non-potable. DO NOT USE the potable hose to flush holding tanks or rinse discharge hoses. Potable water is to be used only for filling an RV's fresh water tank.
  - f. The water faucets are only for use in filling an RV's fresh water tank and may not be used to flush holding tanks or rinse discharge hoses.
  - g. Use of the dump station to wash vehicles is prohibited.

19. Indemnification and Accidents:

- a. Lessee agrees to take, use, provide, and maintain all necessary precautions, safeguards, and protection to prevent accidents or injury to persons or property on, about, or adjacent to the Space.
- b. Lessee shall continuously maintain adequate protection to the HGMD's property from injury or loss arising in connection with the Lessee's activities and shall make good any such damages, injury, or loss except for ordinary wear and tear incidental to the use of the Space by the Lessee.
- c. Lessee hereby agrees on behalf of itself and its successors and assigns, to waive and release all liability and to forever defend, indemnify, and hold harmless, HGMD and Directors, the HGMD's employees, consultants, licensees, invitees, agents, successors, and assigns from any and all injuries, loss, claims, liability, damages, and costs, including, without limiting the generality of the foregoing, court costs and attorney's fees, caused by, resulting from, or in any way arising out of, or alleged to arise out of, in whole or in part, the use of the Space and HGMD RV Lot by the Lessee, its licensees, invitees, agents, contractors, subcontractors, employees, successor, and/or assigns and on account of or in any way growing out of any personal injuries or property damage resulting from the storage of the vehicle(s) involved by HGMD and its employees, consultants, licensees, invitees, agents, successors, and assigns under this Agreement.
- d. The Lessee agrees to report any accidents, injury, or damage to the appropriate authorities and HGMD Security immediately.

Signatures below indicate approval and acceptance of the above-mentioned terms and conditions:

HGMD

LESSEE

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

**ATTACHMENT 7  
RV LOT FACT SHEET**

Features: Capacity of 74 spaces, six-foot security fence with three strands of barbed wire around the top, automatic gate, a dump station, coin operated electrical meter outlet.

Rental Rates:	<u>Owner</u>	<u>Resident or Owner</u>	<u>Non-Resident and Non-</u>
	Under 25 feet	\$ 90 per quarter	\$300 per quarter
	25 feet to 35 feet	\$100 per quarter	\$330 per quarter
	35 feet to 38 feet	\$110 per quarter	\$340 per quarter

Rental Payment: Rent shall be paid quarterly. Make the checks payable to:

Heather Gardens Metropolitan District – RV Lot  
2888 S. Heather Gardens Way  
Aurora, CO 80014

Access Ability: A Lessee has access to the RV facility on a 24-hour basis.

Insurance & Registration: Proof of insurance and registration of the vehicle in the name of the lessee shall be provided on all vehicles. The Lessee shall provide current copies of this information.

Administration: The Heather Gardens Association Resident Services Manager will be responsible for lease preparations, collections, refunds, gate openers, etc. Telephone inquiries may be made by calling (303) 755-0652.

Waitlist: A waitlist will be maintained by the District. Once a person is offered an appropriate size space for the vehicle in the RV lot, a Lease must be executed within three (3) business days or be placed at the end of the respective waitlist.

**Heather Gardens Metropolitan District  
Board Action  
Date: July 22, 2021**

**Motion: Consider to approve the 2020 Audit of the Metropolitan District and request that the Controller file Audit with the State of Colorado by the due date**

I move that the Heather Gardens Metropolitan District Board of Directors approve the 2020 Audit of the Metropolitan District and request that the Controller files the Audit with the State of Colorado by the due date. (attached)

Motion by: Bill Archambault Seconded by: \_\_\_\_\_

Outcome of vote:

For: \_\_\_\_\_ Against: \_\_\_\_\_ Absent/Abstaining: \_\_\_\_\_

\_\_\_ The motion has a majority and is adopted.

\_\_\_ The motion does not have a majority and is not adopted.

\_\_\_\_\_  
David Funk, President  
HGMD Board of Directors

Explanation: Per State law, the District is required to file a copy of the audit with the State Auditor by July 31, 2021.

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**HEATHER GARDENS  
METROPOLITAN DISTRICT  
FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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**Open Items:**

- Subsequent Events
- Rep Letter
- Report Date

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## **Independent Auditors' Report**

Board of Directors  
Heather Gardens Metropolitan District  
Aurora, Colorado

### **Report On The Financial Statements**

We have audited the accompanying financial statements of the business-type activities and the aggregate remaining fund information of Heather Gardens Metropolitan District (the District) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility For The Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate remaining fund information of the District as of December 31, 2020, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The budget and actual schedule and note on pages 27 and 28, respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Report On Summarized Comparative Information*

We have previously audited the District's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 5, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

June \_\_, 2020

**HEATHER GARDENS METROPOLITAN DISTRICT**  

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**MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)**  
**December 31, 2020**

Our discussion and analysis of Heather Gardens Metropolitan District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the District's financial statements, which begin on page 9.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. Required statements for business-type activities are: 1) Statement of Net Position, 2) Statement of Revenues, Expenses and Changes in Net Position and 3) Statement of Cash Flows. The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position are prepared using the economic resource measurement focus and the accrual basis of accounting. Required statements for fiduciary funds are: 1) Statement of Fiduciary Net Position and 2) Statement of Changes in Fiduciary Net Position. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the business-type statements because the resources of those funds are not available to support the District's own programs.

The Statement of Net Position presents information on all of the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between them reported as net position as of December 31, 2020. This statement provides useful information regarding the financial position of the District. Over time, increases and decreases in net position can serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Nonfinancial factors should also be considered to assess the overall position of the District.

The Statement of Revenues, Expenses and Changes in Net Position reports the changes that have occurred during the year to the District's net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Revenues and expenses are reported for some items that will only result in cash flows in the subsequent years.

The Statement of Cash Flows, as its name implies, is concerned solely with flows of cash and cash equivalents. Only transactions that affect the District's cash position are reflected in this statement. Transactions are segregated into four sections on the statement: 1) cash flows from operating activities, 2) cash flows from noncapital financing activities, 3) cash flows from capital and related financial activities and, 4) cash flows from investing activities.

## HEATHER GARDENS METROPOLITAN DISTRICT

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### Management's Discussion And Analysis (*Continued*)

#### Financial Highlights

- The District's net position decreased by \$141,935 or 2.9% as a result of this year's operations, based on beginning of year net position.
- During the year, the District's operating revenues decreased by \$548,132 or 20.6% from revenues in 2019. The District's operating expenses decreased \$652,129 or 20.7% from expenses in 2019.
- Non-operating revenues decreased by \$29,451 or 4.6% as a result of a decrease in property taxes collected, specific ownership taxes, and lower bond interest income. There was a slight decrease in Conservation Trust Fund entitlement and interest earned on Certificates of Deposit.
- Non-operating Expenses increased by \$25,270 or 7.3% due to a loss on sale of asset.
- Funds related to The District's annual Change in Net Position are allocated between restricted and unrestricted based on board designations and external restrictions.
- Outstanding long-term debt was reduced by \$260,000 or 3.2%

#### Financial Summary and Analysis

##### Capital Assets

	2020	2019	2018
Land	\$ 1,725,000	\$ 1,725,000	\$ 1,725,000
Intangible assets (City of Aurora water rights)	133,190	133,190	133,190
Construction in progress	18,515	—	—
Property, furniture and equipment	16,078,770	16,053,966	15,914,727
Less accumulated depreciation	(6,847,098)	(6,271,023)	(5,633,271)
<b>Total Capital Assets - Net</b>	<b>\$ 11,108,377</b>	<b>\$ 11,641,133</b>	<b>\$ 12,139,646</b>

For additional information, see note 4.

## HEATHER GARDENS METROPOLITAN DISTRICT

### Management's Discussion And Analysis (Continued)

The following condensed financial information was derived from the District's financial statements:

	2020	2019	2018
Current assets	\$ 2,209,103	\$ 1,852,078	\$ 2,143,797
Noncurrent assets	395,242	381,388	53,966
Capital assets, net of accumulated depreciation	11,108,377	11,641,133	12,139,646
Total Assets	13,712,722	13,874,599	14,337,409
Deferred Outflows of Resources	647,074	679,564	712,053
Current liabilities	728,123	421,938	424,523
Long-term liabilities	8,352,734	8,656,260	8,949,295
Total Liabilities	9,080,857	9,078,198	9,373,818
Deferred Inflows of Resources	493,757	548,848	557,316
Invested in capital assets, net of related debt	3,132,717	3,404,437	3,652,404
Restricted	412,900	399,396	1,275,651
Unrestricted	1,239,565	1,123,284	190,273
Total Net Position	\$ 4,785,182	\$ 4,927,117	\$ 5,118,328
Operating revenues	\$ 2,114,718	\$ 2,662,850	\$ 2,300,116
Nonoperating revenues	617,448	646,899	568,382
Total Revenues	2,732,166	3,309,749	2,868,498
Operating expenses	2,502,569	3,154,698	2,823,161
Nonoperating expenses	371,532	346,262	354,151
Total Expenses	2,874,101	3,500,960	3,177,312
Changes In Net Position	(141,935)	(191,211)	(308,814)
Ending Net Position	\$ 4,785,182	\$ 4,927,117	\$ 5,118,328

The District's non-operating revenue decreased almost \$30,000 due to decreased property taxes, specific ownership taxes, and lower bond interest income. The District attempts to collect in property taxes the amount needed for principal and interest on its outstanding bonds. These decreases included slight decreases in Conservation Trust Fund (lottery) entitlement and interest earned on certificates of deposit.

## **HEATHER GARDENS METROPOLITAN DISTRICT**

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### Management's Discussion And Analysis (*Continued*)

#### **Long-Term Debt Outstanding**

	2020	2019	2018
General obligation bonds	\$ 7,955,000	\$ 8,215,000	\$ 8,465,000

Bond payments are made twice yearly (June 1 and December 1). The June payment includes only interest and the December payment includes both interest and principal. During 2020, the District paid down the principal by \$260,000 on the outstanding bonds. The bond payments are funded by the property tax revenue and specific ownership tax revenue received by the District.

#### **Budgetary Discussion**

Due to the partial closure of the District's facilities in 2020 resulting from the COVID-19 pandemic, revenues were \$678,225 below budget. There were no budget amendments made for 2020.

All requests for Custodial Fund and Foundation expenditures are made by motion to the Board and are not authorized without specific Board approval.

#### **Economic Factors and Rates**

The COVID-19 pandemic had a significant impact on the District's operations for the year ended December 31, 2020. The District made sales totaling approximately \$670,000 from restaurant income, golf course fees, and community center usage; a 51% decrease from 2019. Management expects continued disruption to revenue from community activity for the first half of 2021. Business volume is expected to increase the second half of 2021 as restrictions are eased or eliminated.

#### **Contacting the District's Financial Management**

This financial report is designed to provide our residents and future residents of Heather Gardens with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Jerry Counts, Controller, at Heather Gardens Association, 2888 S. Heather Gardens Way, Aurora, CO 80014 or call 303-755-0652.



# HEATHER GARDENS METROPOLITAN DISTRICT

## STATEMENT OF NET POSITION

December 31, 2020

(With Comparative Totals As of December 31, 2019)

### Assets And Deferred Outflows Of Resources

	Proprietary Fund	
	2020	2019
<b>Current Assets</b>		
Cash and cash equivalents	\$ 883,632	\$ 495,784
Certificates of deposit	750,000	750,000
Property tax receivable	493,757	548,848
Accounts receivable, net of allowance for doubtful accounts of \$1,000 in 2020 and 2019, respectively	28,079	8,104
Inventory	38,254	29,699
Due from the Foundation	3,973	—
Other current assets	11,408	19,643
<b>Total Current Assets</b>	<b>2,209,103</b>	<b>1,852,078</b>
<b>Noncurrent Assets</b>		
Cash restricted	395,242	381,388
Nondepreciable assets	1,743,515	1,725,000
Intangible assets	133,190	133,190
Depreciable assets, net of accumulated depreciation of \$6,847,098 and \$6,276,188 in 2020 and 2019, respectively	9,231,672	9,782,943
<b>Total Noncurrent Assets</b>	<b>11,503,619</b>	<b>12,022,521</b>
<b>Total Assets</b>	<b>13,712,722</b>	<b>13,874,599</b>
<b>Deferred Outflows Of Resources</b>		
Deferred loss on 2010 bond refunding	647,074	679,564
<b>Liabilities, Deferred Inflows Of Resources And Net Position</b>		
<b>Current Liabilities</b>		
Accounts payable	8,659	33,268
Interest payable	32,702	41,557
Deposits	13,536	14,202
Due to the Association	314,674	821
Unearned revenue	65,588	49,126
Unspent insurance claim	22,964	22,964
Current portion of bonds payable	270,000	260,000
<b>Total Current Liabilities</b>	<b>728,123</b>	<b>421,938</b>
<b>Long-Term Liabilities</b>		
Bonds payable	8,352,734	8,656,260
<b>Total Liabilities</b>	<b>9,080,857</b>	<b>9,078,198</b>
<b>Deferred Inflows Of Resources</b>		
Unearned property tax revenue	493,757	548,848
<b>Net Position</b>		
Net investment in capital assets	3,132,717	3,404,437
Restricted	412,900	399,396
Unrestricted	1,239,565	1,123,284
<b>Total Net Position</b>	<b>\$ 4,785,182</b>	<b>\$ 4,927,117</b>



**HEATHER GARDENS METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**For The Year Ended December 31, 2020**  
**(With Comparative Totals For the Year Ended December 31, 2019)**

	Proprietary Fund	
	2020	2019
<b>Operating Revenue</b>		
Recreation use fees	\$ 1,382,809	\$ 1,207,665
Restaurant income	271,390	753,937
Golf course fees	364,875	360,625
Community center fees	33,590	243,578
Recreational vehicle lot rentals	35,231	41,618
Other operating revenue	26,823	55,427
<b>Total Operating Revenue</b>	<b>2,114,718</b>	<b>2,662,850</b>
<b>Operating Expenses</b>		
Community center, golf course, recreational vehicle lot	1,273,380	1,391,272
Professional services and insurance	131,066	136,260
Depreciation	586,883	637,752
Restaurant expenses	457,395	945,197
Other operating expenses	53,845	44,217
<b>Total Operating Expenses</b>	<b>2,502,569</b>	<b>3,154,698</b>
<b>Loss From Operations</b>	<b>(387,851)</b>	<b>(491,848)</b>
<b>Nonoperating Revenue</b>		
Property taxes	548,743	557,316
Specific ownership taxes	39,858	42,952
Income on certificates of deposit	11,441	27,711
Conservation Trust Fund entitlement	17,406	18,920
<b>Total Nonoperating Revenue</b>	<b>617,448</b>	<b>646,899</b>
<b>Nonoperating Expenses</b>		
Interest	322,580	337,037
Amortization of bond premium, net	(33,526)	(33,035)
Amortization of deferred loss on bond refunding and discount	32,489	32,490
Other nonoperating expenses	9,144	9,770
Loss on disposition of assets	40,845	—
<b>Total Nonoperating Expenses</b>	<b>371,532</b>	<b>346,262</b>
<b>Change In Net Position</b>	<b>(141,935)</b>	<b>(191,211)</b>
<b>Net Position - Beginning Of Year</b>	<b>4,927,117</b>	<b>5,118,328</b>
<b>Net Position - End Of Year</b>	<b>\$ 4,785,182</b>	<b>\$ 4,927,117</b>

# HEATHER GARDENS METROPOLITAN DISTRICT

## STATEMENT OF CASH FLOWS

For The Year Ended December 31, 2020

(With Comparative Totals For The Year Ended December 31, 2019)

Page 1 Of 2

	For The Years Ended	
	December 31,	
	2020	2019
<b>Cash Flows From Operating Activities</b>		
Payments received from customers	\$ 2,106,567	\$ 2,634,428
Payments to suppliers for goods and services	(1,626,762)	(2,460,918)
<b>Net Cash Provided By Operating Activities</b>	<b>479,805</b>	<b>173,510</b>
<b>Cash Flows From Noncapital Financing Activities</b>		
Specific ownership taxes	39,858	42,952
Other nonoperating expenses	(9,144)	(9,770)
<b>Net Cash Provided By Noncapital Financing Activities</b>	<b>30,714</b>	<b>33,182</b>
<b>Cash Flows From Capital And Related Financing Activities</b>		
Property taxes levied for debt service, net	548,743	557,316
Principal paid on long-term debt	(260,000)	(250,000)
Interest paid on long-term debt	(331,435)	(327,516)
Conservation Trust Fund entitlement	17,406	18,920
Acquisition of property and equipment	(94,972)	(139,239)
Cash received from insurance claim	—	22,964
<b>Net Cash Used In Capital And Related Financing Activities</b>	<b>(120,258)</b>	<b>(117,555)</b>
<b>Cash Flows Provided By Investing Activities</b>		
Income on certificates of deposit	11,441	27,711
<b>Net Increase In Cash And Cash Equivalents</b>	<b>401,702</b>	<b>116,848</b>
<b>Cash And Cash Equivalents - Beginning Of Year</b>	<b>877,172</b>	<b>760,324</b>
<b>Cash And Cash Equivalents - End Of Year</b>	<b>\$ 1,278,874</b>	<b>\$ 877,172</b>

# HEATHER GARDENS METROPOLITAN DISTRICT

## STATEMENT OF CASH FLOWS

For The Year Ended December 31, 2020

(With Comparative Totals For The Year Ended December 31, 2019)

Page 2 Of 2

	For The Years Ended	
	December 31,	
	2020	2019
<b>Reconciliation Of Loss From Operations To Net Cash Provided By Operating Activities</b>		
Loss from operations	\$ (387,851)	\$ (491,848)
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation	586,883	637,752
Changes in assets:		
Receivables	(23,948)	33,309
Prepaid expenses	—	46,649
Inventory	(8,555)	(7,278)
Other assets	8,235	(3)
Changes in liabilities:		
Accounts payable	(24,609)	15,839
Due to the Association	313,853	821
Deposits	(665)	(6,067)
Unearned revenue	16,462	(55,664)
<b>Net Cash Provided By Operating Activities</b>	<b>\$ 479,805</b>	<b>\$ 173,510</b>

**HEATHER GARDENS METROPOLITAN DISTRICT**

**STATEMENT OF FIDUCIARY NET POSITION  
(With Comparative Totals For The Year Ended December 31, 2019)  
December 31, 2020**

	Added Heading		Heather Gardens Foundation Custodial Fund	
			2020	2019
<b>Assets</b>				
Cash and cash equivalents restricted			\$ 41,751	\$ 41,201
Certificates of deposit restricted			150,000	150,000
<b>Total Assets</b>			<b>191,751</b>	<b>191,201</b>
<b>Liabilities</b>				
Due to the District		Retitled. Was "Interfund receivable" on first draft.	3,973	—
<b>Total Liabilities</b>			<b>3,973</b>	<b>—</b>
<b>Net Position</b>				
Restricted			187,778	191,201
<b>Total Net Position</b>			<b>\$ 187,778</b>	<b>\$ 191,201</b>

**HEATHER GARDENS METROPOLITAN DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**(With Comparative Totals For The Year Ended December 31, 2019)**  
**For The Year Ended December 31, 2020**

	<b>Heather Gardens Foundation</b>	
	<b>Custodial Fund</b>	
	<b>2020</b>	<b>2019</b>
<b>Additions</b>		
Donations	\$ 4,260	\$ 12,113
Investment income on certificates of deposit	3,546	3,728
<b>Total Additions</b>	<b>7,806</b>	<b>15,841</b>
	<b>Retitled. Was "Income on certificates of deposit" on first draft.</b>	
<b>Deductions</b>		
Other expenses	11,229	12,969
<b>Change In Net Position</b>	<b>(3,423)</b>	<b>2,872</b>
<b>Net Position - Beginning Of Year</b>	<b>191,201</b>	<b>188,329</b>
<b>Net Position - End Of Year</b>	<b>\$ 187,778</b>	<b>\$ 191,201</b>



# HEATHER GARDENS METROPOLITAN DISTRICT

## NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2020

### 1. Definition Of Reporting Entity

The Heather Gardens Metropolitan District (the District), a quasi-municipal corporation, was formed April 5, 1983. It is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located within the City of Aurora, Arapahoe County, Colorado. The District was established to provide and operate park and recreation facilities and to improve and maintain Linvale Place within the District. The current activities of the District relate to recreational services and operations, the most significant of which is the operation of a public golf course and restaurant.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not a component unit of any other governmental entity. The District is financially accountable for the Heather Gardens Foundation (the Foundation), a committee whose purpose is to enhance the quality of life and enjoyment of the residents. All members of the Heather Gardens Association (the Association) are members of the Foundation. The Foundation is primarily funded through donations. The Foundation is not a legally separate entity, and is therefore not considered a component unit of the District, but is considered a fiduciary fund as described in Note 2.

Sentence added

The District has no employees and all operations and administrative functions are contracted.

### 2. Summary Of Significant Accounting Policies

The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to governmental units.

# HEATHER GARDENS METROPOLITAN DISTRICT

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## Notes To Basic Financial Statements (*Continued*)

The more significant accounting policies of the District are described as follows:

### Measurement Focus And Basis Of Accounting

Various wording additions to this paragraph.

For financial reporting purposes, operations of the District's business type activities are reported as a single enterprise fund using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when the liability is incurred. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets, and redemption of bonds and loans is recorded as a reduction in liabilities. Fiduciary fund information is not included on the statement of net position, revenues, expenditures and changes in fund balance or on the statement of cash flows of the enterprise fund.

There was a paragraph describing the proprietary fund, but that was deleted since it is described above.

Additionally, the District reports the following fiduciary fund:

#### *Custodial Fund*

The Custodial Fund is fiduciary in nature and presents changes in fiduciary net position. The Custodial Fund is accounted for using the accrual basis of accounting. The fund accounts for assets held in a fiduciary capacity for the Foundation, which is to be used in the enhancement of the quality of life and enjoyment of the residents.

### Operating Revenues And Expenses

The District's business type activities distinguish between operating revenues and expenses and nonoperating items in the statement of revenues, expenses and changes in net position. Operating revenues and expenses generally result from providing services in connection with the District's purpose of providing and operating park and recreation facilities and to improve and maintain streets within the District. Operating revenues consist of charges to customers for services provided. Operating expenses include the cost of services, administrative expenses and depreciation of assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

## **HEATHER GARDENS METROPOLITAN DISTRICT**

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### Notes To Basic Financial Statements *(Continued)*

#### **Budgetary Information**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements.

#### **Cash Equivalents And Certificates Of Deposit**

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Certificates of deposit are reported at cost.

#### **Capital Assets**

Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Depreciation is calculated using the straight-line method over the following estimated economic useful lives:

Buildings and improvements	7 - 39 years
Furniture and equipment	5 - 15 years



## HEATHER GARDENS METROPOLITAN DISTRICT

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### Notes To Basic Financial Statements (*Continued*)

#### Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties effective January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and tax sales of the liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflows of resources are recognized as revenue, and the receivable is reduced.

These sentences replaced the sentence from the first draft.

#### Net Position

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

#### Comparative Data

The financial statements include certain prior-year comparative information in total, but not at the level of detail required for presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the 2019 District financial statements.

#### Deferred Outflows Of Resources

In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources until then.

## **HEATHER GARDENS METROPOLITAN DISTRICT**

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### Notes To Basic Financial Statements *(Continued)*

#### **Deferred Inflows Of Resources**

In addition to liabilities, the statement of net position will sometimes include a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period or periods and so will not be recognized as an inflow of resources until then. The District has unearned property tax income. This item has been reported as deferred inflows on the statement of net position.

#### **Subsequent Events**

Management evaluates subsequent events through the date financial statements are available for issue, which is the date of the Independent Auditors' Report.

### **3. Cash, Cash Equivalents And Certificates Of Deposits**

#### **Cash Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The State Regulatory Commission for banks and savings and loan associations is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Federal Deposit Insurance Corporation coverage is \$250,000 per official custodian. At December 31, 2020, the District's cash deposits at financial institutions had a book balance of \$2,220,625 and a corresponding bank balance of \$2,209,423. Of the bank balance, \$1,401,089 was covered by federal depository insurance with multiple banks. The remainder of the bank balance, \$808,334, was collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by PDPA.

## HEATHER GARDENS METROPOLITAN DISTRICT

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### Notes To Basic Financial Statements (Continued)

As of December 31, 2020, the District's cash deposits and certificates of deposit had the following book and bank balances:

	<u>Book</u>	<u>Bank</u>
Deposits with financial institutions - unrestricted	\$ 883,332	\$ 871,341
Deposits with financial institutions - restricted	436,993	436,993
Certificates of deposit	900,000	901,089
Cash on hand	300	—
	<u>\$ 2,220,625</u>	<u>\$ 2,209,423</u>

At December 31, 2020, the District's cash and cash equivalents, as reported in the financial statements are as follows:

	<u>Proprietary Fund</u>	<u>Foundation Fund</u>	<u>Grand Total</u>
Cash and cash equivalents	\$ 883,632	\$ —	\$ 883,632
Cash and cash equivalents restricted	395,242	41,751	436,993
	<u>\$ 1,278,874</u>	<u>\$ 41,751</u>	<u>\$ 1,320,625</u>

### Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments. Colorado Revised Statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

## **HEATHER GARDENS METROPOLITAN DISTRICT**

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### Notes To Basic Financial Statements *(Continued)*

#### **Interest Rate Risk**

Colorado Revised Statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

The District generally limits its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

#### **Restricted Cash And Certificates Of Deposits**

In accordance with Colorado Revised Statutes, the District maintains a separate bank account for the Custodial funds. At December 31, 2020, the balances of these funds were \$41,751. The District also held \$150,000 in certificates of deposits as of December 31, 2020.

The District restricted cash to meet the bond reserve requirements for servicing the bonds in the amount of \$250,718 at December 31, 2020.

In accordance with Colorado Revised Statutes, the District maintains a separate bank account for the Conservation Trust Fund entitlement. At December 31, 2020, the balance of these funds were \$144,524.

## HEATHER GARDENS METROPOLITAN DISTRICT

### Notes To Basic Financial Statements (Continued)

#### 4. Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2020 is as follows:

	Balance - January 1, 2020	Additions/ Transfers	Deletions/ Transfers	Balance - December 31, 2020
<b>Capital Assets</b>				
<b>Nondepreciable Capital Assets</b>				
Land	\$ 1,725,000	\$ —	\$ —	\$ 1,725,000
Construction in progress	—	18,515	—	18,515
Intangible asset (City of Aurora water rights)	133,190	—	—	133,190
<b>Total Nondepreciable Capital Assets</b>	<b>1,858,190</b>	<b>18,515</b>	<b>—</b>	<b>1,876,705</b>
<b>Depreciable Capital Assets</b>				
Property and equipment	13,307,537	—	(29)	13,307,508
Furniture and equipment	1,184,568	76,457	(51,624)	1,209,401
Restaurant equipment	137,948	—	—	137,948
Restaurant and pro shop renovation	1,346,537	—	—	1,346,537
Capital lease equipment	77,376	—	—	77,376
<b>Total Depreciable Capital Assets</b>	<b>16,053,966</b>	<b>76,457</b>	<b>(51,653)</b>	<b>16,078,770</b>
<b>Total Capital Assets</b>	<b>17,912,156</b>	<b>94,972</b>	<b>(51,653)</b>	<b>17,955,475</b>
<b>Accumulated Depreciation</b>	<b>(6,271,023)</b>	<b>(586,883)</b>	<b>10,808</b>	<b>(6,847,098)</b>
<b>Net Depreciable Capital Assets</b>	<b>9,782,943</b>	<b>(510,426)</b>	<b>(40,845)</b>	<b>9,231,672</b>
<b>Total Capital Assets, Net Of Depreciation</b>	<b>\$ 11,641,133</b>	<b>\$ (491,911)</b>	<b>\$ (40,845)</b>	<b>\$ 11,108,377</b>

#### 5. Long-Term Obligations

The following is an analysis of changes in long-term obligations for the year ended December 31, 2020:

	Balance - January 1, 2020	Additions	Reductions	Balance - December 31, 2020	Due Within One Year
2010 - \$9,800,000					
General Obligation Bonds	\$ 235,000	\$ —	\$ (235,000)	\$ —	\$ —
2017 - \$8,025,000					
Refunding Bonds	7,980,000	—	(25,000)	7,955,000	270,000
Premium on Series 2017 Refunding Bonds	701,260	—	(33,526)	667,734	33,526
<b>Total Long-Term Obligations</b>	<b>\$ 8,916,260</b>	<b>\$ —</b>	<b>\$ (293,526)</b>	<b>\$ 8,622,734</b>	<b>\$ 303,526</b>

## HEATHER GARDENS METROPOLITAN DISTRICT

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### Notes To Basic Financial Statements (Continued)

#### Bonds Payable

In November 2017, the District issued \$8,025,000 of General Obligation Refunding Bonds, Series 2017, with interest rates ranging from 3.98% to 4.00%, for the purpose of advance refunding a portion of the General Obligations Bonds, Series 2010, with an interest rate ranging from 1.25% to 5.25%. The proceeds of the 2017 General Obligation Refunding Bonds related to the refunded debt were deposited with an escrow agent and invested in government securities, maturing at such times and in such amounts as required to provide funds sufficient to pay the principal and interest on the refunded bonds as they become due. As a result, \$7,895,000 of the 2010 General Obligation Bonds are considered to be defeased as of December 31, 2017, and the related liability for the bonds has been removed from the District's liabilities. The refunding resulted in a present value savings from the cash flow of \$1,149,527 and an economic loss on the refunding of \$747,249.

The remaining \$460,000 General Obligation Bonds Series 2010, dated July 22, 2010, is due annually in increasing amounts through 2020, with remaining interest due semiannually at rates of 3.50% to 4.10%. The bonds and interest are secured by the District's covenant to levy an ad valorem tax on all of the taxable property in the District. This balance was paid in full as of December 31, 2020.

Bond and coupon payments to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 270,000	\$ 318,200	\$ 588,200
2022	280,000	307,400	587,400
2023	290,000	296,200	586,200
2024	300,000	284,600	584,600
2025	315,000	272,600	587,600
2026 - 2030	1,760,000	1,164,600	2,924,600
2031 - 2035	2,140,000	783,400	2,923,400
2036 - 2040	2,600,000	320,000	2,920,000
	<u>\$ 7,955,000</u>	<u>\$ 3,747,000</u>	<u>\$ 11,702,000</u>

# HEATHER GARDENS METROPOLITAN DISTRICT

## Notes To Basic Financial Statements (Continued)

### 6. Net Position

#### District Net Position

The District has a net position consisting of three components: net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds that are attributable to the acquisition, construction or improvement of those assets.

As of December 31, 2020, the District had net position invested in capital assets, which is calculated as follows:

Capital assets - net of accumulated depreciation	\$ 11,108,377
Capital related borrowings	(8,622,734)
Deferred loss on 2010 bond refunding	<u>647,074</u>
	<u>\$ 3,132,717</u>

Restricted assets include net position that is restricted for use either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had the following restricted net position as of December 31, 2020:

<b>Restricted</b>	
TABOR emergency reserves	\$ 17,658
Conservation Trust Fund	144,524
Debt service	<u>250,718</u>
<b>Total</b>	<u>\$ 412,900</u>

Emergency reserves have been provided for as required by Article X, Section 20, of the Constitution of the State of Colorado, otherwise known as the Taxpayer Bill of Rights (TABOR). A portion of the net position has been restricted in compliance with this requirement.

Debt service restricted net position represents amounts restricted for future payment of general obligation bond principal, interest and related costs.

The Conservation Trust Fund's restricted net position represents the net unspent proceeds received from the State Lottery for the Conservation Trust Fund.

## HEATHER GARDENS METROPOLITAN DISTRICT

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### Notes To Basic Financial Statements (Continued)

Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted.

#### **Fiduciary Net Position**

The Foundation has net position that is restricted. The restricted net position represents the net unspent proceeds of contributions received for the Foundation. The Foundation is a District operation and is not a legally separate entity.

The Foundation had the following restricted net position as of December 31, 2020:

Restricted Foundation	<u>\$ 187,778</u>
Total	<u>\$ 187,778</u>

#### **7. Risk Management**

The District is exposed to various risks related to torts; thefts of, damage to or destruction of assets; errors or omissions or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool) as of December 31, 2020. The Pool is an organization created by intergovernmental agreement to provide property, liability, public official's liability and boiler and machinery insurance coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public official's liability. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

#### **8. Heather Gardens Association**

The District has entered into a management agreement with the Association, the homeowners association for the members who own units within the District's boundaries.



## **HEATHER GARDENS METROPOLITAN DISTRICT**

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### Notes To Basic Financial Statements *(Continued)*

Under the terms of the agreement, the District designated the Association as the District's agent to operate, manage and supervise the properties and facilities of the District. The District makes all decisions relative to the District's capital reserves. The final responsibility and authority for the District's property remains with the District. The Association shall take reasonable steps to collect and enforce the collection of all fees, charges, rents and other sums arising from the use of District property. The Association transfers all collections of community center fees, facilities revenue (golf course) and restaurant income to the District monthly, net of reimbursement of expenses and costs incurred for the operation and maintenance of District assets.

The District permits the members of the Association use of the District facilities on a nonexclusive basis with other members of the general public. The District also permits the Association to share office space at no cost, the value of which is offset by the services provided under the management agreement and therefore is insignificant and not reflected in the financial statements.

At December 31, 2020, there was \$314,674 balance due to the Association.

### **9. Tax, Spending And Debt Limitations**

TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes that its operations qualify for this exclusion; however, management has elected to adopt certain provisions of TABOR with respect to property tax revenue collected by the District.

Spending and revenue limits are determined based on the prior fiscal year's spending, adjusted for allowable increases based upon inflation and local growth. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the fiscal year spending limit must be refunded, unless the voters approve retention of such revenue.

TABOR requires local governments to establish emergency reserves. These reserves must be at least 3% of fiscal year spending (excluding enterprise operations and bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases.

## **HEATHER GARDENS METROPOLITAN DISTRICT**

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### Notes To Basic Financial Statements *(Continued)*

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

#### **10. Risks And Uncertainties**

In December 2019, a novel strain of coronavirus (COVID-19) surfaced. The spread of COVID-19 around the world has caused significant volatility in the U.S. and international markets. The District has taken a number of measures to monitor and mitigate the effects of COVID-19. There continues to be uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies. The District's restaurant and clubhouse activities were significantly affected by COVID-19, as revenue from these activities decreased by approximately \$700,000 in 2020, compared to 2019. Disruptions have carried over into early 2021, however, business volume has increased and should continue in the second half of 2021 as state and local governments have reduced or eliminated restrictions.

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### **Other Supplementary Information**

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The schedule of revenues, expenditures and changes in funds available - budget and actual (budgetary basis) is presented to demonstrate compliance with a resolution of the Board of Directors, which established a TABOR enterprise for the District's qualifying operations.

# HEATHER GARDENS METROPOLITAN DISTRICT

## PROPRIETARY FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL (BUDGETARY BASIS) For The Year Ended December 31, 2020

	Original and Final Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues</b>			
Recreation use fees	\$ 1,382,559	\$ 1,382,809	\$ 250
Restaurant income	690,295	271,390	(418,905)
Golf course fees	406,647	364,875	(41,772)
Community center fees	230,177	33,590	(196,587)
Recreational vehicle lot rentals	44,400	35,231	(9,169)
Other operating revenues	24,900	26,823	1,923
Property taxes	548,849	548,743	(106)
Specific ownership taxes	39,996	39,858	(138)
Income on certificates of deposit	24,168	11,441	(12,727)
Conservation Trust Fund entitlement	18,400	17,406	(994)
<b>Total Revenues</b>	<b>3,410,391</b>	<b>2,732,166</b>	<b>(678,225)</b>
<b>Expenditures</b>			
Operating:			
Community center, golf course, recreational vehicle lot	1,432,333	1,273,380	158,953
Restaurant expenses	809,990	457,395	352,595
Professional services	60,600	81,680	(21,180)
Bad debt expense	2,250	—	2,250
Insurance	56,635	49,386	7,249
Other operating expenses	61,745	53,845	7,900
Debt service:			
County Treasurer's collection fees	7,942	8,245	(303)
Principal	260,000	260,000	—
Interest	328,153	322,580	5,573
Bank payee fee	1,400	1,400	—
Capital outlay	370,877	94,972	275,905
<b>Total Expenditures</b>	<b>\$ 3,391,825</b>	<b>2,602,883</b>	<b>\$ 788,942</b>
<b>Excess Of Revenues Over Expenditures</b>		<b>129,283</b>	
Adjustments to GAAP basis			
Depreciation		(586,883)	
Bond principal payments		260,000	
Amortization of bond premium, net		33,526	
Amortization of deferred loss on bond refunding and discount		(32,489)	
Capital outlay		94,972	
Loss on sale of asset		(40,344)	
<b>Changes In Net Position Per Statement Of Revenues, Expenses And Changes In Net Position - GAAP Basis</b>		<b>\$ (141,935)</b>	

# HEATHER GARDENS METROPOLITAN DISTRICT

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## NOTE TO BUDGETARY COMPARISON SCHEDULE

### **Budgets And Budgetary Accounting**

The District follows these procedures in establishing the budgetary data reflected in the budgetary schedule:

1. Prior to September 1, the District obtains budget requests from various department heads.
2. Prior to October 15, the proposed budget is submitted to the Board of Directors.
3. By December 15, the District must certify the levy to the County Commissioners.
4. By December 15, the Board enacts a resolution appropriating the budget.
5. Department heads are required to submit budget change requests after initial approval to the Board of Directors.
6. Supplemental requests are gathered by the Board of Directors. The Board of Directors will hold formal public hearings prior to approving the increased budget and appropriations.
7. Budgets for the Proprietary Fund are adopted on a basis consistent with GAAP with the following exceptions:
  - a. Depreciation, amortization of bond premium, net, and amortization of deferred loss on bond refunding and discount are not budgeted expenses
  - b. Bond principal payments and capital outlay are budgeted expenses

**Heather Gardens Metropolitan District  
Board Action  
Date: July 22, 2021**

**Motion: Consider to approve the contract with Asphalt Coatings to complete the RV Parking Lot Asphalt and Re-Striping Project (\$26,006)**

I move that the Heather Gardens Metropolitan District Board of Directors approve the contract with Asphalt Coatings to complete the RV Parking Lot Asphalt and Re-Striping Project. The cost of the asphalt project is \$22,960 with a change order of \$3,046 totaling \$26,006. The project is not to exceed \$26,006 without prior Board approval. This is a budgeted capital expense for 2021.

Motion by: David Funk Seconded by: \_\_\_\_\_

Outcome of vote:

For: \_\_\_\_\_ Against: \_\_\_\_\_ Absent/Abstaining: \_\_\_\_\_

\_\_\_ The motion has a majority and is adopted.

\_\_\_ The motion does not have a majority and is not adopted.

\_\_\_\_\_  
David Funk, President  
HGMD Board of Directors

Explanation: The RV Lot asphalt sealcoat, crack fill, infrared patch, and re-stripe were last completed in 2010. Asphalt Sealcoat and repairs are recommended every 6-8 years. The Property Policy Committee has been working on the RV Parking Lot re-design to better suit the needs of the users. This project offers a re-design of the striping and includes repairing damaged asphalt to complete the project.

# HEATHER GARDENS METROPOLITAN DISTRICT REQUEST FOR CAPITAL EXPENDITURE

PROJECT: RV Parking Lot Asphalt – Sealcoat, Crackfill, Stripe, Infrared Patch, Repair and Replace Asphalt Buckling

DEPT: Contracts

DATE: 6/30/21

0601

BUDGET Year: <u>2021</u> Tab: _____ Pg: _____	Budget Amount: \$ <u>40,000</u> Expended YTD: \$ _____ Unexp. Balance: \$ _____	Contract Amount: \$ <u>22,960</u> Change Order Res.: \$ <u>3,046</u> Total Project Cost: \$ <u>26,006</u> Add. Funds Request: \$ _____
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**DESCRIPTION:** This project includes removing and replacing asphalt buckling in 11 locations caused by tree roots. Damaged asphalt and subsequent tree roots will be removed and patched back with tampered asphalt. The project will also include crackfilling 4,050LF of asphalt cracking a 1/4" or wider with a CDOT approved hot rubber crack sealer. The contractor will then repair potholes in 30 locations by using the infrared method of asphalt pavement patching. Once the asphalt is repaired the contractor will sealcoat the entire parking lot (approx. 65,000SF) and re-stripe per Norris Design's Option C Re-design of the RV Striping layout.

**Justification:** Asphalt sealcoat, crackfill, infrared patch, and re-stripe was last completed in 2010. Asphalt Sealcoat and repairs are recommended every 6-8 years. The Property Policy Committee has been working on the RV Parking Lot re-design to better suite the needs of the users. This project offers a re-design of the striping and includes repairing of damaged asphalt to complete the project.

**BID COMPARISON:** (If required, summarize or attach separate schedule.)

- Asphalt Coatings: \$22,960
- Colorado Asphalt Works: (Did not receive bid due to personnel changes)
- Economy Paving: (Did not receive a bid)

**RECOMMENDATION:** The recommendation is to contract with Asphalt Coatings to complete the RV Parking Lot Asphalt and Re-Striping Project. Three separate contractors were contacted to provide pricing but only one responded. Asphalt Coatings is a preferred HG vender who consistently provides competitive pricing and quality work. Asphalt Coatings completed the sealcoat at B223-224 in 2020 and did an exceptional job. The cost of the asphalt project at the RV Parking Lot is \$22,960. A change order reserve of \$3,046 has been added to cover the cost of unforeseen conditions and repairs needed to complete the project. This project is not to exceed \$26,006 without prior committee approval.

1. Department Head	2. Controller	3. General Manager	4. Department Comm. Chair	5. Budget & Fin. Committee	6. HGA President	7. HGMD President
<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-concur	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-concur <input type="checkbox"/> Concur with Justification	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Non-concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur	<input type="checkbox"/> Concur <input type="checkbox"/> Non-concur

Check concur, non-concur or concur with justification, then initial. Attach comment sheet if you like.

\*Capital expenditures, except emergency replacements and weatherproofing performed by HGA labor, are approved/revised as follows:  
All Items require Block 1, 2 (when needed), and 3 through 8 completed.

Phone: **1-800-BLACKTOP**  
 or  
 Denver: **303-340-4750**  
 Colo. Springs: **719-232-6200**



Asphalt Coatings Company, Inc.  
 P. O. Box 472918  
 Aurora, CO 80047  
 Fax: 303-340-4756

*Serving Colorado's Front Range Since 1986*

## CONTRACT

Date 03/11/20

Job Name Heather Gardens Contact Don O' Gorman Phone 1-410-501-4940

Address 2788 S. Heather Gardens way Aurora CO 80014

Management/Owner Name \_\_\_\_\_

Address: \_\_\_\_\_ Fax / E-mail Don.Ogorman@heathergardens.org

Asphalt Coatings Company, Inc. Representative: Victor Turner Phone: 303 618-4141

### We hereby submit specifications and estimates for RV Lot

#### **INFRARED PATCHING**

\$1,950

Repair potholes using the infrared method of asphalt pavement patching. Your lot will receive 30 Infrared Patches. (Each patch repairs approx. 5' x 7') The infrared process includes: Clean the damaged areas of all dirt and debris. Heat the asphalt to a working temperature of 300°F by the infrared process. Rake heated area to a depth of 3" and remove any deteriorated asphalt. Add new hot asphalt and compact with a ride on vibratory roller.

#### **Crack sealing (4,050 LF)**

\$3,645

Clean all cracks 1/4" or wider with compressed air. Remove weeds from cracks. Crack Seal specified linear feet of cracks with CDOT approved hot pour rubberized crack sealer. Apply black sand to crack sealed areas to prevent vehicle tracking. Transition crack seal (concrete to asphalt) joints will not be sealed unless otherwise stated. \*SETTLING OF CRACK SEAL MATERIAL MAY OCCUR, BUT DOES NOT AFFECT PERFORMANCE. ALLIGATORING AREAS WILL NOT BE CRACK SEALED. INFRARED PATCHING IS RECOMMENDED IN THESE AREAS. Asphalt Coatings Company, Inc. recommends Crack Sealing every year to prevent water from entering sub-grade.

#### **Sealcoat ( 64,085 SF)**

\$9,615

Clean lot using high powered blowers and wire broom. Oil spots will receive "Tar Lock" to help with the adherence of the sealcoat. Apply sealer using a heavy duty CoalTar/Emulsion blend sealer with recommended additives and fine mesh sand for traction and durability. Clean up area. Work will take approx. 2 days. Apply Two Coats

#### **Striping and**

\$1,250

Restripe designated lot with traffic paint utilizing existing layout and color unless otherwise specified.

Including (stencils number in stalls).

Return Trip charge \$450/trip Weekend Charge \$450/day

If you have any questions I can be reached at (303) 340-4750, for scheduling please fax a signed proposal to (303) 340-4756

**Total (Labor and Materials) \$ 16,460**

Down payment of one third upon acceptance with balance due in full upon installation.

[VTurner@asphaltcoatings.net](mailto:VTurner@asphaltcoatings.net)

Note: 1) One year warranty on workmanship and materials. Warranty shall not apply to cracks, drainage with less than 2% slope or oil spots. 2) All proposals subject to approval of management 3) All cars and non-stationary objects will be removed from the work areas by customer on scheduled work days by 7:00 am. 4) Legal fees and court costs incurred in the collection of monies owed according to this contract shall be borne by the customer. 5) This contract does not include design or engineering. 6) ACC is not responsible for damages to underground utilities, irrigation, wiring or other buried items that are undisclosed at the time work is performed.

Submitted by: Victor Turner

Accepted by: \_\_\_\_\_

By: \_\_\_\_\_

\* The signer serves as authorized agent for owner and binds the written contract. Acceptance of Proposal (Purchaser) The above prices, specifications and Standard Conditions (page 2) are satisfactory and hereby accepted. You are authorized to perform the work specified. Payment will be made as specified above with a 2% monthly interest penalty applying to late payments. (Date)





Standard Conditions

1. Subgrade to be received at grade ready, and compacted with proper moisture content. Fine grading from +/-0.10', scarification and/or recompaction are not included unless noted on proposal.
2. Not responsible for and price does not include the over excavation of soft or unstable sub grade. If requested, Asphalt Coatings Company, (ACC), can stabilize these areas on a time and material basis.
3. Not responsible for drainage or damage where there is less than 2.0% slope.
4. Utility appurtenances to be at finish grade prior to move-in. No utility adjustments are included except as noted on previous page. Utility adjustments if required over +/-3", add \$450.00 for each manhole add \$200.00 for each valve adjustment.
5. Exclusions (unless included on proposal); curb and utility patching, testing, bonds, permits, traffic control, surveying, saw-cutting, demolition, removals, engineering, pavement markings, signage, wheel stops, rotomilling, erosion control (SWMP), export material, crack sealing.
6. Quantities used are approximate and subject to physical measurement. Corrections, if necessary will be made with unit prices applying.
7. **SCOPE OF WORK CHANGES:** ACC will furnish all necessary labor, material and equipment to complete job described in the proposal. Changes in the scope of work shall be in writing. If items of work are to be deleted at Owner's request. Owner shall be responsible for payment to ACC for partially completed work and for costs of specifically ordered material, less salvage value. All added items (extra work) shall be billed to Owner on a time, equipment and material basis. Extra work shall include overruns of asphalt, gravel and other materials necessary due to soft or unstable soil conditions. On request by ACC, Owner agrees to make available at the site its representative to identify and document overruns of material.
8. **OFFER EXPIRATION DATE:** The proposal expires automatically thirty (30) days from date if not accepted within that time.
9. **PRICE:** Due to market conditions, ACC is unable to obtain long-term price commitments from its suppliers of petroleum-based materials and is not willing to guarantee the quoted prices for work to commence later than thirty (30) days from this proposal so that ACC may inform you of any price changes. If work is not performed during ACC current paving season, prices may be increased in the following paving season when the work is completed. ACC normal paving season extends for April to November depending on weather conditions. After ACC has notified you of changes if any, the prices hereunder shall be adjusted accordingly and ACC shall proceed with the work unless at least five (5) days prior to the time for commencement of work you shall deliver to ACC written notice that you are unwilling to accept such changes. In that event the contract shall terminate, provided however, that ACC at its option may elect to proceed and complete the work at contract prices herein provided. If this contract is terminated as provided in this paragraph, you shall promptly pay ACC for all work, if any, performed to the date of termination and ACC shall have no further obligation to perform any further liability. Up to a 10% cancellation penalty may apply when work is cancelled less than 5 days or verbally prior to start date.
10. **CONSTRUCTION LIMITS & UNDERGROUND:** It is your responsibility to provide ACC with surveys, maps and drawings which accurately depict; the location of all property boundaries and the areas on which work is to be performed; the location, extent and depth of all underground utilities, sprinkler systems, wiring, manholes, valves or other installations which are not exposed to view. You shall obtain all approvals, which may be required by utility companies or others having easements or rights-of-way, which may be affected by the work. ACC will not be responsible or liable for damage to underground utilities or other sub-surface improvements or conditions not accurately depicted on surveys, drawings and plans furnished to ACC prior to construction. You shall hold ACC harmless and shall defend it from all claims for damage, costs or expense whatsoever, including attorneys' fees, for any such matters.
11. **GRADING AND DRAINAGE** Unless the job description on this proposals specifically includes site preparation excavation as part of the work to be performed by ACC, you shall be responsible for proper preparation, compaction, and grading of the area on which the work is to be performed prior to commencement of the construction by ACC. The Owner, and its engineers and other contractors, shall be responsible to ensure that all surface accumulations of moisture and water are properly drained off of the location or which work is to be performed by ACC and ACC will not be held responsible for any drainage or any damage where there is less than a 2.0% slope.
12. **ACCEPTANCE OF PROPOSAL:** The person or persons accepting this proposal represent that they are the authorized representative of the Owner, and that permission and authority is hereby granted to ACC to perform such work on those premises.
13. **SOIL STERILIZATION:** It is to be understood that if a soil sterilizer is applied it is an effort to retard weed growth and no guarantee is expressed or implied that its use will be effective. Soil sterilization is not included unless noted on the proposal.
14. **PERFORMANCE:** ACC cannot give assurance as to a completion date since all work is subject to weather conditions, prior commitments of ACC to third parties, mechanical failures, labor difficulties, fuel or material shortages, fire, governmental authority or regulation, acts of God, and any cause beyond its control. In the event ACC is delayed for more than sixty (60) days in the performance of this contract for any of the reasons set forth herein, you shall have the right upon seven (7) days written notice to ACC, to terminate this contract, in which event ACC shall be paid for the work performed by it to the date of such termination and all the parties hereto shall be released of any obligation hereunder. Under no conditions will ACC be held responsible for the following: gravel or asphalt paving installed on projects or areas that are not stable due to excessive moisture, frozen ground, or inclement weather, for rough texture or rough joints when asphalt paving is requested during cold temperatures; for asphalt cracking or failure due to prevailing expansive soil conditions; for settlement of asphalt due to improperly placed or compacted backfill; for the establishing of property corners, dimensions and boundary lines.
15. **GUARANTEE:** All work completed by ACC under this agreement is guaranteed against defects in workmanship or materials for a period of one (1) year from date of installation. There is no warranty on cracks, oil spots, earth movement, sub-grade failure or drainage with less than 2% slope.
16. **PAYMENT TERMS:** The person or persons and the company accepting this proposal each agree to pay ACC the full quoted price with any adjustments provided for herein for the work herein specified. Invoices may be issued monthly for work completed during that month. Each invoice rendered by ACC will be paid when rendered and payment shall be overdue and delinquent thirty (30) days from the date thereof. Interest shall accrue and be payable on delinquent amounts at the rate of 2% per month (an **annual percentage rate of 24%**). And if ACC commences legal proceedings for the collection of any delinquent amounts. Customer will be responsible for all legal fees and court costs incurred in the collection of money.
17. **FINANCIAL RESPONSIBILITY:** If at any time ACC, in its sole judgment, determines that the financial responsibility of the person or persons or the Company accepting this proposal is unsatisfactory, it reserves the right to require payment in advance or satisfactory guarantee that invoices will be paid when due. If any payments are not paid when due, ACC at its option may cancel any unfulfilled portion of the agreement, without further liability, and all work therefore completed shall thereupon be invoiced and be due and payable at once.
18. **PERMIT FEES; TAXES:** Costs for any permits required by any applicable municipal, county, state or other governmental entity for this project and from the Colorado State Sales Tax or any other State, City or County taxes are excluded from the price quoted unless specifically stated otherwise in this agreement.
19. **WATER:** Due to ongoing drought conditions, we will require water for compaction of sub grade and paving. We require a source be provided on site; otherwise we will request a change for additional cost of transporting water to the site and any premium charges for the purchase of water for this project.
20. **EDGE LINE CRACKING:** ACC's liability under this agreement is limited to errors and omissions proximately caused by ACC in the performance of its work as described in this agreement and any change orders and/or additional work performed by ACC (collectively referred to as "ACC's Work"). Any claims against ACC relating to ACC's work shall be limited to the actual damages that directly result from ACC's errors and omissions, provided however, that under no circumstances shall such actual damages exceed the total contract amount to be paid to ACC for ACC's work. The parties to this agreement acknowledge they have allocated the risks inherent in this project, and ACC's price for its work reflects this allocation.

INITIAL: \_\_\_\_\_

Phone: 1-800-BLACKTOP  
or  
Denver: 303-340-4750  
Colo. Springs: 719-232-6200



Asphalt Coatings Company, Inc.  
P. O. Box 472918  
Aurora, CO 80047  
Fax: 303-340-4756

*Serving Colorado's Front Range Since 1986*

**CONTRACT**

Job Name Heather Gardens Contact: Don O'Gorman Phone: 1 410-501-4940 Date: 0/1621  
2788 So. Heather Gardens Way Aurora Colo 80014  
Management/Owner Name Same as Above  
Address: 2788 So. Heather Gardens Way Aurora Colo 80014 Fax / E-mail Don.OGorman@HeatherGardens.Org  
Asphalt Coatings Company, Inc. Representative: Victor Turner Cell 303-618-4141 Phone: 720-303-1140

We hereby submit specifications and estimates for:

**Asphalt R&R 6" ( 506 SF)** \$6,500  
ASPHALT REMOVAL & REPLACEMENT at 10 locations. Sawcut, excavate and haul away damaged or broken asphalt. Compact sub-base, apply SS-1H Tack Oil to all edges, install Grade S and SX Hot Asphalt Plant Mix and compact to match or meet existing grade. Clean up area.

**EXCLUSIONS:** Dirt prep or grading and compaction, testing, moisture control, winter protection, design, engineering, surveying, dewatering, permit, bond, as built drawing, signage, irrigation repair, repair to damaged underground utilities not located by customer, traffic control.

The next step to begin scheduling is to email a signed copy of this proposal to [VTurner@asphaltcoatings.net](mailto:VTurner@asphaltcoatings.net) or fax a copy to (303) 340-4756 cell (720) 505-1140). If you have additional questions after our proposal review, please let me know how I can help make your pavement something your customers admire!

**Total (Labor and Materials) \$6,500**  
Down payment of one third upon acceptance with balance due in full upon installation.

Note: 1) One year warranty on workmanship and materials. Warranty shall not apply to cracks, drainage with less than 2% slope or oil spots. 2) All proposals subject to approval of management 3) All cars and non-stationary objects will be removed from the work areas by customer on scheduled work days by 7:00 am. 4) Legal fees and court costs incurred in the collection of monies owed according to this contract shall be borne by the customer. 5) This contract does not include design or engineering. 6) ACC is not responsible for damages to underground utilities, irrigation, wiring or other buried items that are undisclosed at the time work is performed.

Submitted by:  
By: Victor Turner

Accepted by: [Signature] Jon R. G... 6/20/2001  
(Purchaser) (Date)

\* The signer serves as authorized agent for owner and binds the written contract. Acceptance of Proposal: The above prices, specifications and Standard Conditions (page 2) are satisfactory and hereby accepted. You are authorized to perform the work specified. Payment will be made as specified above with a 2% monthly interest penalty applying to late payments.



Standard Conditions

1. Subgrade to be received at grade ready, and compacted with proper moisture content. Fine grading from +/-0.10', scarification and/or recompaction are not included unless noted on proposal.
2. Not responsible for and price does not include the over excavation of soft or unstable sub grade. If requested, Asphalt Coatings Company, (ACC), can stabilize these areas on a time and material basis.
3. Not responsible for drainage or damage where there is less than 2.0% slope.
4. Utility appurtenances to be at finish grade prior to move-in. No utility adjustments are included except as noted on previous page. Utility adjustments if required over +/-3", add \$450.00 for each manhole add \$200.00 for each valve adjustment.
5. Exclusions (unless included on proposal); curb and utility patching, testing, bonds, permits, traffic control, surveying, saw-cutting, demolition, removals, engineering, pavement markings, signage, wheel stops, rotomilling, erosion control (SWMP), export material, crack sealing.
6. Quantities used are approximate and subject to physical measurement. Corrections, if necessary will be made with unit prices applying.
7. **SCOPE OF WORK CHANGES:** ACC will furnish all necessary labor, material and equipment to complete job described in the proposal. Changes in the scope of work shall be in writing. If items of work are to be deleted at Owner's request. Owner shall be responsible for payment to ACC for partially completed work and for costs of specifically ordered material, less salvage value. All added items (extra work) shall be billed to Owner on a time, equipment and material basis. Extra work shall include overruns of asphalt, gravel and other materials necessary due to soft or unstable soil conditions. On request by ACC, Owner agrees to make available at the site its representative to identify and document overruns of material.
8. **OFFER EXPIRATION DATE:** The proposal expires automatically thirty (30) days from date if not accepted within that time.
9. **PRICE:** Due to market conditions, ACC is unable to obtain long-term price commitments from its suppliers of petroleum-based materials and is not willing to guarantee the quoted prices for work to commence later than thirty (30) days from this proposal so that ACC may inform you of any price changes. If work is not performed during ACC current paving season, prices may be increased in the following paving season when the work is completed. ACC normal paving season extends for April to November depending on weather conditions. After ACC has notified you of changes if any, the prices hereunder shall be adjusted accordingly and ACC shall proceed with the work unless at least five (5) days prior to the time for commencement of work you shall deliver to ACC written notice that you are unwilling to accept such changes. In that event the contract shall terminate, provided however, that ACC at its option may elect to proceed and complete the work at contract prices herein provided. If this contract is terminated as provided in this paragraph, you shall promptly pay ACC for all work, if any, performed to the date of termination and ACC shall have no further obligation to perform any further liability. Up to a 10% cancelation penalty may apply when work is cancelled less than 5 days or verbally prior to start date.
10. **CONSTRUCTION LIMITS & UNDERGROUND:** It is your responsibility to provide ACC with surveys, maps and drawings which accurately depict; the location of all property boundaries and the areas on which work is to be performed; the location, extent and depth of all underground utilities, sprinkler systems, wiring, manholes, valves or other installations which are not exposed to view. You shall obtain all approvals, which may be required by utility companies or others having easements or rights-of-way, which may be affected by the work. ACC will not be responsible or liable for damage to underground utilities or other sub-surface improvements or conditions not accurately depicted on surveys, drawings and plans furnished to ACC prior to construction. You shall hold ACC harmless and shall defend it from all claims for damage, costs or expense whatsoever, including attorneys' fees, for any such matters.
11. **GRADING AND DRAINAGE** Unless the job description on this proposals specifically includes site preparation excavation as part of the work to be performed by ACC, you shall be responsible for proper preparation, compaction, and grading of the area on which the work is to be performed prior to commencement of the construction by ACC. The Owner, and its engineers and other contractors, shall be responsible to ensure that all surface accumulations of moisture and water are properly drained off of the location or which work is to be performed by ACC and ACC will not be held responsible for any drainage or any damage where there is less than a 2.0% slope.
12. **ACCEPTANCE OF PROPOSAL:** The person or persons accepting this proposal represent that they are the authorized representative of the Owner, and that permission and authority is hereby granted to ACC to perform such work on those premises.
13. **SOIL STERILIZATION:** It is to be understood that if a soil sterilizer is applied it is an effort to retard weed growth and no guarantee is expressed or implied that its use will be effective. Soil sterilization is not included unless noted on the proposal.
14. **PERFORMANCE:** ACC cannot give assurance as to a completion date since all work is subject to weather conditions, prior commitments of ACC to third parties, mechanical failures, labor difficulties, fuel or material shortages, fire, governmental authority or regulation, acts of God, and any cause beyond its control. In the event ACC is delayed for more than sixty (60) days in the performance of this contract for any of the reasons set forth herein, you shall have the right upon seven (7) days written notice to ACC, to terminate this contract, in which event ACC shall be paid for the work performed by it to the date of such termination and all the parties hereto shall be released of any obligation hereunder. Under no conditions will ACC be held responsible for the following: gravel or asphalt paving installed on projects or areas that are not stable due to excessive moisture, frozen ground, or inclement weather, for rough texture or rough joints when asphalt paving is requested during cold temperatures; for asphalt cracking or failure due to prevailing expansive soil conditions; for settlement of asphalt due to improperly placed or compacted backfill; for the establishing of property corners, dimensions and boundary lines.
15. **GUARANTEE:** All work completed by ACC under this agreement is guaranteed against defects in workmanship or materials for a period of one (1) year from date of installation. There is no warranty on cracks, oil spots, earth movement, sub-grade failure or drainage with less than 2% slope.
16. **PAYMENT TERMS:** The person or persons and the company accepting this proposal each agree to pay ACC the full quoted price with any adjustments provided for herein for the work herein specified. Invoices may be issued monthly for work completed during that month. Each invoice rendered by ACC will be paid when rendered and payment shall be overdue and delinquent thirty (30) days from the date thereof. Interest shall accrue and be payable on delinquent amounts at the rate of 2% per month (an annual percentage rate of 24%). And if ACC commences legal proceedings for the collection of any delinquent amounts. Customer will be responsible for all legal fees and court costs incurred in the collection of money.
17. **FINANCIAL RESPONSIBILITY:** If at any time ACC, in its sole judgment, determines that the financial responsibility of the person or persons or the Company accepting this proposal is unsatisfactory, it reserves the right to require payment in advance or satisfactory guarantee that invoices will be paid when due. If any payments are not paid when due, ACC at its option may cancel any unfulfilled portion of the agreement, without further liability, and all work therefore completed shall thereupon be invoiced and be due and payable at once.
18. **PERMIT FEES; TAXES:** Costs for any permits required by any applicable municipal, county, state or other governmental entity for this project and from the Colorado State Sales Tax or any other State, City or County taxes are excluded from the price quoted unless specifically stated otherwise in this agreement.
19. **WATER:** Due to ongoing drought conditions, we will require water for compaction of sub grade and paving. We require a source be provided on site; otherwise we will request a change for additional cost of transporting water to the site and any premium changes for the purchase of water for this project.
20. **EDGE LINE CRACKING:** ACC's liability under this agreement is limited to errors and omissions proximately caused by ACC in the performance of its work as described in this agreement and any change orders and/or additional work performed by ACC (collectively referred to as "ACC's Work"). Any claims against ACC relating to ACC's work shall be limited to the actual damages that directly result from ACC's errors and omissions, provided however, that under no circumstances shall such actual damaged exceed the total contract amount to be paid to ACC for ACC's work. The parties to this agreement acknowledge they have allocated the risks inherent in this project, and ACC's price for its work reflects this allocation.

INITIAL: \_\_\_\_\_

## Don OGorman

---

**From:** Victor Turner <vturner@asphaltcoatings.net>  
**Sent:** Wednesday, June 30, 2021 7:58 AM  
**To:** Don OGorman  
**Subject:** Re: RV Parking Lot Proposal

Yes Don price is the same

Get [Outlook for iOS](#)

---

**From:** Don OGorman <Don.OGorman@HeatherGardensmail.com>  
**Sent:** Wednesday, June 30, 2021 7:55:10 AM  
**To:** Victor Turner <vturner@asphaltcoatings.net>  
**Subject:** RE: RV Parking Lot Proposal

Victor,

I'm submitting for approval to move forward with the RV Parking Lot project. Are the prices from your proposals still good?

Asphalt Sealcoat, Crackfill, and Re-stripe: \$16,460

Asphalt R&R 6": \$6,500

Total: \$22,960

Don O'Gorman  
Contracts Manager  
Heather Gardens  
720-974-6906

---

**From:** Victor Turner <vturner@asphaltcoatings.net>  
**Sent:** Wednesday, March 31, 2021 1:58 PM  
**To:** Don OGorman <Don.OGorman@HeatherGardensmail.com>  
**Subject:** RE: RV Parking Lot Proposal

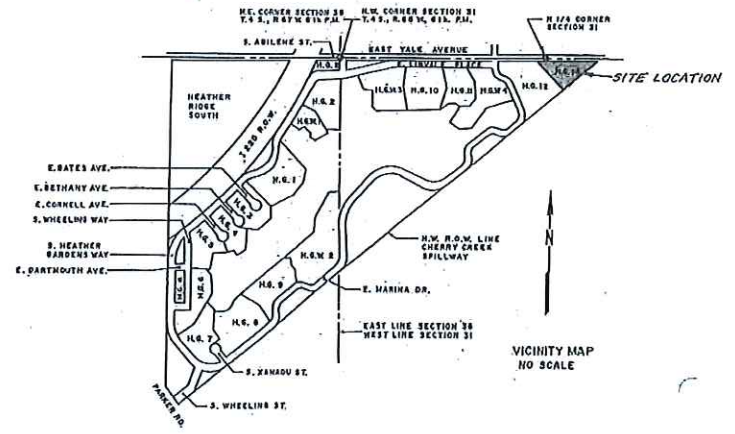
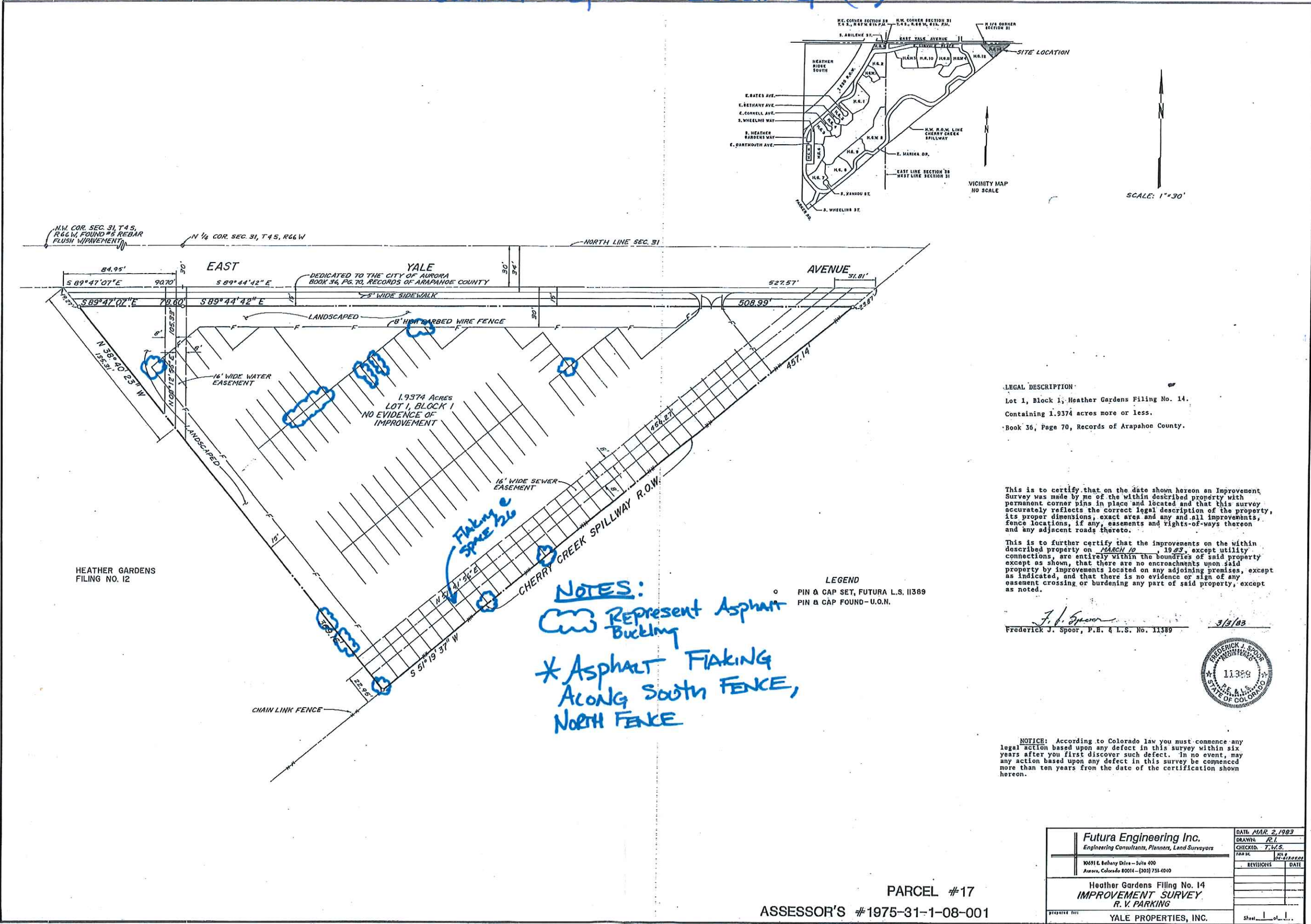
Hi Don  
Yes, the price is good.  
Good Luck  
Thanks again for the opportunity to earn your business.

*Victor Turner*

Estimator / Project Manager  
ASPHALT COATINGS COMPANY INC  
PO Box 472918 Aurora, CO 80047  
Cell: 720-505-1140  
Main: 303-618-4141  
[VTurner@asphaltcoatings.net](mailto:VTurner@asphaltcoatings.net)



# RV PARKING LOT: AREAS SHOWING ASPHALT BUCKLING (11)



SCALE: 1"=30'

LEGAL DESCRIPTION  
 Lot 1, Block 1, Heather Gardens Filing No. 14.  
 Containing 1.9374 acres more or less.  
 Book 36, Page 70, Records of Arapahoe County.

This is to certify that on the date shown hereon an Improvement Survey was made by me of the within described property with permanent corner pins in place and located and that this survey accurately reflects the correct legal description of the property, its proper dimensions, exact area and any and all improvements, fence locations, if any, easements and rights-of-ways thereon and any adjacent roads thereto.

This is to further certify that the improvements on the within described property on MARCH 10, 1983, except utility connections, are entirely within the boundaries of said property except as shown, that there are no encroachments upon said property by improvements located on any adjoining premises, except as indicated, and that there is no evidence or sign of any easement crossing or burdening any part of said property, except as noted.

Frederick J. Spoor, P.E. & L.S. No. 11389

3/3/83



**NOTES:**  
 ☁ Represent Asphalt Buckling  
 \* ASPHALT FIAKING ALONG SOUTH FENCE, NORTH FENCE

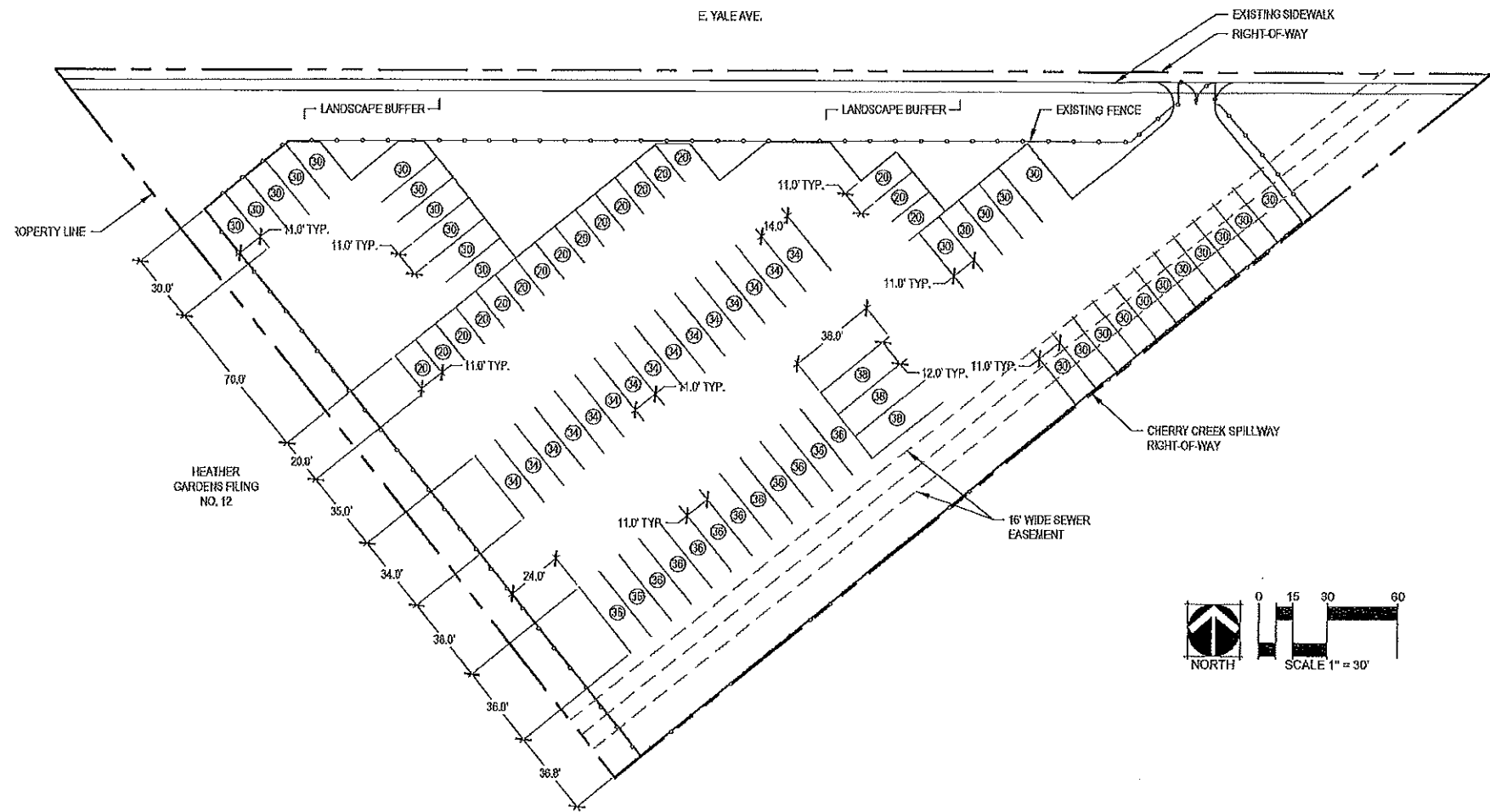
LEGEND  
 ○ PIN & CAP SET, FUTURA L.S. 11389  
 ○ PIN & CAP FOUND-U.O.N.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within six years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

Futura Engineering Inc. Engineering Consultants, Planners, Land Surveyors		DATE: MAR. 2, 1983
10591 E. Bethany Drive - Suite 400 Aurora, Colorado 80014 - (303) 751-0100		DRAWN: R.L.
		CHECKED: T.W.S.
		DATE: 3/3/83
		REVISIONS: _____
		DATE: _____
Heather Gardens Filing No. 14 IMPROVEMENT SURVEY R.V. PARKING		
YALE PROPERTIES, INC.		Sheet 1 of 1

PARCEL #17  
 ASSESSOR'S #1975-31-1-08-001

PROPOSED RE-STRIPING PLAN - OPTION C



LAYOUT NOTES

1. WRITTEN DIMENSIONS WILL TAKE PRECEDENCE OVER SCALED DIMENSIONS.
2. SHOULD SITE CONDITIONS BE DIFFERENT THAN WHAT IS INDICATED ON THE DRAWINGS CONTACT THE LANDSCAPE ARCHITECT IMMEDIATELY FOR CLARIFICATION.
3. SURVEYED SITE INFORMATION WAS NOT PROVIDED FOR THIS PROJECT. THIS PLAN HAS BEEN DEPICTED BASED ON DATED INFORMATION PROVIDED BY HEATHER GARDENS. NORRIS DESIGN IS NOT RESPONSIBLE FOR DIMENSIONAL FIELD DISCREPANCIES BASED ON INFORMATION PROVIDED.
4. ACCESS AND TURNING MOVEMENTS HAVE BEEN CONFIRMED USING AUTOTURN PRODUCT SOFTWARE AND MODELED BASED ON VEHICLE INFORMATION PUBLICLY AVAILABLE.
5. THE CONTRACTOR SHALL COORDINATE WITH THE OWNER REGARDING WHO WILL PROVIDE SURVEY SERVICES FOR LAYOUT OF THE WORK.
6. ALL WORK SHALL BE CONFINED TO THE AREA WITHIN THE CONSTRUCTION LIMITS AS SHOWN ON THE PLANS. ANY AREAS OR IMPROVEMENTS DISTURBED OUTSIDE THESE LIMITS SHALL BE RETURNED TO THEIR ORIGINAL CONDITION AT THE CONTRACTOR'S EXPENSE. IN THE EVENT THE CONTRACTOR REQUIRES A MODIFICATION TO THE CONSTRUCTION LIMITS, WRITTEN PERMISSION MUST BE OBTAINED FROM THE LANDSCAPE ARCHITECT PRIOR TO ANY DISTURBANCE OUTSIDE OF THE LIMITS OF WORK. SEE TECHNICAL SPECIFICATIONS.
7. CONTRACTOR IS RESPONSIBLE FOR SUPERVISING ALL SAFETY SURFACING AND PAVEMENT DURING THE CURING PROCESS.

PARKING MATRIX

WIDTH	DEPTH	QUANTITY
11'	20'	17 SPACES
11'	30'	27 SPACES
11'	34'	16 SPACES
11'	36'	12 SPACES
12'	38'	3 SPACES

TOTAL: 74 SPACES

**NORRIS DESIGN**  
 Planning | Landscape Architecture | Interiors

1101 Bannock Street  
 Denver, Colorado 80204  
 P 303.592.1168  
 www.norris-design.com

**HEATHER GARDENS RV LOT**  
 E. YALE AVE.  
 AURORA, COLORADO

OWNER:  
 HEATHER GARDENS  
 2888 S HEATHER GARDENS WAY  
 AURORA, CO 80014

NOT FOR  
 CONSTRUCTION

DATE:  
 21/03/23 SUB 01  
**DRAFT**

SHEET TITLE:  
 LAYOUT PLAN



# WORK ORDER CONTRACT

## HEATHER GARDENS METROPOLITAN DISTRICT

1. **CONTRACTOR.** The Heather Gardens Metropolitan District (the "District") hereby retains **Asphalt Coatings Company, Inc** (the "Contractor") to perform the Work (as defined in paragraph 3) for the District. The Contractor hereby agrees to perform such Work, pursuant to the terms and conditions set forth herein as an independent contractor of the District.

2. **TERM.** The Contractor shall commence the Work on \_\_\_\_\_ or when otherwise advised by the District. The Contractor shall complete all the Work by \_\_\_\_\_.

3. **SCOPE OF WORK.** The "Work" contracted for pursuant to this Work Order shall consist of the following:  
This project includes removing and replacing asphalt buckling in (11) locations caused by tree roots. Buckling asphalt and underlying roots causing the damage will be removed and patched back with tampered asphalt in the Heather Gardens RV Parking Lot. This project also includes repairing 4,050LF of asphalt cracks ¼" or wider with a CDOT approved hot rubber crack sealer. The Contractor will then repair (30) potholes located in the HG RV Parking Lot using the infrared method of asphalt pavement patching. Once the asphalt is repaired the Contractor will sealcoat and restripe the entire RV Parking Lot (approx. 65,000SF) per Norris Design's Option C Re-Design RV Striping Layout. Norris Designs Option "C" Re-Design of the RV Parking Lot is attached.

Or check here  if a scope of work is attached to this Work Order and incorporated herein by this reference.

In performing the Work the Contractor shall: (a) comply with all applicable federal, state and local laws (b) be responsible for providing, at its cost and expense, all management, supervision, labor, materials, administrative support, supplies and equipment necessary to perform the Work and (c) warrant the Work for one year after completion of the Work, as applicable.

4. **COMPENSATION.** The Contractor shall be paid an amount not to exceed **\$22,960.00** by the District for Work satisfactorily performed either (a)  on a \_\_\_\_\_, or (b)  in a lump sum upon completion **[Check (a) or (b)]**. The Contractor shall be solely responsible for all expenses it incurs in performance of the Work and shall not be entitled to any reimbursement or compensation except as set forth herein. As applicable, for certain contracts over \$50,000, the performance and payment bond provisions of Section 38-26-105, C.R.S. are hereby incorporated by this reference into this Work Order as though fully set forth herein, and shall hereinafter bind the District and the Contractor accordingly.

5. **INDEMNIFICATION.** Subject to the provisions of Section 13-50.5-102(8), C.R.S., to the extent applicable to this Work Order, the Contractor shall indemnify, defend and hold harmless the District and each of its directors, employees, agents and consultants (collectively the "Indemnitees"), from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, and expenses (including reasonable attorneys' fees), and liabilities of, by or with respect to, third parties to the extent they arise from or may be alleged to arise, directly or indirectly, in whole or in part, from the intentional or negligent acts or omissions of the Contractor or any of its subcontractors, agents representatives or employees, or the agents or employees of any subcontractors, in connection with this Work Order and/or the Work provided hereunder or which causes or allows to continue a condition or event which deprives the Indemnitees, as applicable, of its sovereign immunity under the Colorado Governmental Immunity Act, Sections 24-10-101, *et seq.*, C.R.S., as amended from time to time. Provided, however, that such Contractor shall not be liable for any claim, loss, damage, injury or liability arising out of the negligence of the Indemnitees. The obligations this paragraph shall survive termination or expiration of this Work Order.

6. **INSURANCE.** The Contractor shall secure and maintain for the term of this Work Order adequate statutory workers' compensation insurance coverage, comprehensive general liability insurance and excess liability coverage, from

companies licensed in the State of Colorado, as will protect itself and the Indemnitees from claims for bodily injuries, death, personal injury or property damage, which may arise out of or result from the Contractor's acts, errors or omissions. Such insurance coverage shall be acceptable to the District in its sole discretion. To provide evidence of the required insurance coverage, copies of certificates of insurance shall be furnished to the District.

**7. ILLEGAL ALIENS.** As applicable, the provisions of Sections 8-17.5-101 *et seq.*, C.R.S. are hereby incorporated by this reference into this Work Order as though fully set forth herein, and shall hereinafter bind the Contractor accordingly. Prior to the execution of this Work Order the Contractor shall complete the certification to the District attached hereto as **Exhibit A** and incorporated herein by this reference. If the Contractor participates in the Department Program the Contractor shall notify the Department and the District of such participation. The Contractor shall, within twenty (20) days after hiring an employee who is newly hired for employment to perform work under the Work Order, affirm that the Contractor has examined the legal work status of such employee, retained file copies of the documents required by 8 U.S.C. Sec. 1324a, and not altered or falsified the identification documents for such employees. The Contractor shall provide the District a written, notarized copy of the affirmation, similar to **Exhibit B** attached hereto and incorporated herein by this reference.

**8. CONFIDENTIALITY.** During the performance of this Work Order the Contractor may have access to confidential information and hereby agrees that the Contractor will not to use or disclose to anyone, except as required in the performance of this Work Order or by law, or as otherwise authorized by the District, any or all confidential information given to the Contractor by the District, developed by the Contractor as a result of the performance of this Work Order or accessed by the Contractor as a result of this Work Order. The Contractor agrees that, if the District so requests, it will execute a confidentiality agreement, in a form acceptable to the District. The obligations of this paragraph shall survive termination or expiration of this Work Order.

**9. MISCELLANEOUS.**

**A. Subject to Annual Budget and Appropriation/Governmental Immunity.** The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds are subject to annual budgeting and appropriations. As applicable, the provisions of Section 24-91-103.6, C.R.S. are hereby incorporated by this reference into this Work Order as though fully set forth herein, and shall hereinafter bind the District and the Contractor accordingly. Nothing in this Work Order or in any actions taken by the District pursuant to this Work Order shall be deemed a waiver of the District's sovereign immunity under the Colorado Governmental Immunity Act.

**B. Integration/Modification/Assignment/Termination.** This Work Order contains the entire agreement between the parties, and no statement, promise or inducement made by either party or the agent of either party that is not contained in this Work Order shall be valid or binding. This Work Order may be modified, amended or changed only by an agreement in writing duly authorized and executed by both parties. The Contractor shall not assign this Work Order or any interest hereunder, in whole or in part, without the prior written consent of the District, which consent may be withheld for any reason or for no reason. The District may assign this Work Order or any interest hereunder, in whole or in part, at any time. The District may terminate this Work Order at any time for convenience or for cause, in whole or in part, by delivery to the Contractor of a written notice of termination at least five (5) days prior to the effective date.

**C. Severability/Non-Waiver/Governing Law and Venue.** The invalidity or unenforceability of any portion or previous version of this Work Order shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Work Order and the balance of this Work Order shall be construed and enforced as if this Work Order did not contain such invalid or unenforceable portion or provisions. No waiver of any of the provisions of this Work Order shall be deemed to constitute a waiver of any other provision of this Work Order, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. This Work Order shall be governed by and construed in accordance with the laws of the State of Colorado, and venue for any dispute hereunder shall lie in the in the state courts of the State of Colorado.

This Work Order may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument. By signature of its representatives below, each party affirms it has taken all necessary action to authorize said representative to execute this Work Order.



**DISTRICT:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**CONTRACTOR:**

Asphalt Coatings Company, Inc

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A**

Certification Regarding Illegal Aliens

I, \_\_\_\_\_, as \_\_\_\_\_ of Asphalt Coatings Company, Inc, the prospective “Contractor” for that certain contract for services to be entered into with the District, do hereby certify on behalf of said Contractor that, as of the date of this certification, the Contractor does not knowingly employ or contract with an illegal alien who will perform work under this Work Order and that the Contractor will participate in either the E-Verify Program administered by the U.S. Department of Homeland Security and the Social Security Administration, or in the Colorado Department of Labor and Employment’s Employment Verification Program pursuant to Section 8-17.5-102(5)(c), C.R.S., in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Work Order.

**CONTRACTOR:**

Asphalt Coatings Company, Inc

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_



**Heather Gardens Metropolitan District  
Board Action  
Date: July 22, 2021**

**Motion: Consider the Golf Course Rates for 2022**

Based on the recommendations of the Golf Committee, I move that the Heather Gardens Metropolitan District Board of Directors approve the Golf Course Rates for 2022 (attached).

Motion by: Mike George Seconded by: \_\_\_\_\_

Outcome of vote:

For: \_\_\_\_\_ Against: \_\_\_\_\_ Absent/Abstaining: \_\_\_\_\_

\_\_\_ The motion has a majority and is adopted.

\_\_\_ The motion does not have a majority and is not adopted.

\_\_\_\_\_  
David Funk, President  
HGMD Board of Directors

Explanation: Annually, the Golf Committee reviews the current year rates and makes recommendations for the following year rates to be charged for Heather Gardens Golf Course. The attached listing shows the golf course rates for 2019, 2020, 2021, and the recommendation for 2022.

## 2022 Golf Committee Recommendation Rates (July 13, 2021)

	2019	2020	2021	2022 Golf Committee Recommendation Rates
	Rates	Rates	Rates	
<b>Weekday Rates</b>				
Resident	\$ 9.00	\$ 9.00	\$ 10.00	\$ 10.00
85 years plus resident	8.00	8.00	9.00	9.00
Guest of Resident	12.00	12.00	13.00	13.00
Junior playing with resident	8.00	8.00	9.00	9.00
<b>Junior playing with resident - weekends</b>				<b>12.00</b>
Non Resident	15.00	15.00	17.00	<b>18.00</b>
Non Resident Senior (65 or older)	12.00	12.00	14.00	<b>15.00</b>
2 for \$18	18.00	deleted	deleted	
2 for \$20	N/A	20.00	22.00	<b>24.00</b>
2 for \$24	N/A	24.00	note 1 26.00	<b>deleted</b>
Twilight	10.00	10.00	12.00	<b>14.00</b>
League	12.00	12.00	14.00	<b>15.00</b>
Cart resident	7.50	7.50	8.00	<b>8.00</b>
Cart Non resident	N/A	8.50	9.00	<b>9.00</b>
Pull cart	4.00	6.00	6.00	<b>6.00</b>
Club rental	7.00	10.00	12.00	<b>14.00</b>
Club rental - weekends	N/A	12.00	14.00	<b>16.00</b>
40 play	324.00	324.00	360.00	<b>360.00</b>
40 Play 85 year plus Resident			324.00	<b>324.00</b>
Club Storage (Year)		75.00	100.00	<b>120.00</b>
Club Storage Non Resident (Year)			135.00	<b>150.00</b>
<b>Weekend/holiday rates</b>				
Non Resident	N/A	18.00	22.00	<b>23.00</b>
Non resident Senior	N/A	15.00	18.00	<b>19.00</b>
Junior	N/A	10.00	12.00	<b>13.00</b>
<b>Note: The Golf Shop Pro is granted rate flexibility to allow for special rates during times of slow play for both residents and non residents.</b>				
Note 1. From November 1st to April 1st.				

**Heather Gardens Metropolitan District  
Board Action  
Date: July 22, 2021**

**Motion: Consider approval to Reinvest the Maturing CD in July 2021**

I move that the Heather Gardens Metropolitan District Board of Directors authorize the Controller to Reinvest the CD Maturing in July 2021 at the best possible CD Rate as of the date of Maturity.

- HGMD Conservation Trust Fund CD Maturing July 30, 2021 Principal Amount \$250,000. Reinvest for One Year.

Motion by: Bill Archambault Seconded by: \_\_\_\_\_

Outcome of vote:

For: \_\_\_\_\_ Against: \_\_\_\_\_ Absent/Abstaining: \_\_\_\_\_

\_\_\_ The motion has a majority and is adopted.

\_\_\_ The motion does not have a majority and is not adopted.

\_\_\_\_\_  
David Funk, President  
HGMD Board of Directors

Explanation: